

This Hyperinnovative EV Company is on the Cusp of Disrupting Everything We Know About Cars

By Luke Lango December 1, 2020

Electric vehicle stocks have been all the rage on Wall Street lately.

With good reason.

EVs represent the next generation of automobile transportation globally, and over the next decade, the combination of government support, falling costs, improving tech, and shifting consumer demand will pave the path for electric vehicles to take over the world.

But have you ever noticed how this next-generation of vehicles looks a lot like the old generation?

That is, regardless of the EV model – Tesla Model X, Fisker Ocean, NIO's EC6, etc – they all look like internal combustion engine cars.

4 wheels. 4 doors. Two seats up front. Three seats in the back. Front, back, and side windows.

Despite all the innovation happening in the electric vehicle space today, there has *not* been any reimagining of the design of the cars.

Until now.

Until one company decided to quite literally reinvent the wheel.

And in so doing, this small company – which just might be the most innovative and forward-thinking EV maker in the world – could be on the cusp of disrupting everything we know about autos.

In today's edition of *The Daily 10X*, we will tell you all about this hyperinnovative EV leader, and show you why its disruptive car and business model could power enormous gains for early investors over the next decade.

On the Cutting Edge of Creating a New Generation of Cars for the Self-Driving Era

At *The Daily 10X*, we like to invest in innovation.

And when it comes to innovation in the burgeoning electric vehicle space, freshly public Canoo (CNOO) has no rival.

Canoo is a very new (founded in late 2017), pre-production EV maker based in LA, that is set to go public through a merger with blank-check company Hennessy Capital Acquisition Corp. IV (HCAC). The merger puts the company's enterprise value at \$1.8 billion.

The cool thing about Canoo is that this is *not* just another new EV maker. Instead, Canoo is attacking the transportation problem by entirely reimagining the auto market.

The first reimagination involves creating a new type of electric car which the company calls – you guessed it – the canoo.

This new canoo car is built on a modular skateboard foundation that is proprietarily designed to optimize the space of the vehicle. It has low floors, a wide base, and features the market's first steer-to-wheel platform – which essentially removes all the motors from the hood of the car and allows Canoo to push the front two passenger seats right to the front.

The result?

A car that ostensibly looks like a beetle – without a hood or trunk – but which is basically a loft on wheels.

It's spacious (188 cubic feet of passenger volume, versus 112 for a Tesla Model X). It's comfortable (it sits like a semicircle booth at a restaurant with tons of leg space). And it looks more like a small room than the interior of a legacy car.

We like this new design for *two* reasons.

First, there are tons of car owners out there who want more space in their vehicle, but either don't want, can't afford, or can't fit a bigger car. To those folks – we're thinking big families – this car makes a ton of sense.

Second – and more importantly – this car is built for *self-driving*.

Think about it. Today's cars *suck* for self-driving, because they are designed to be driven. They aren't comfortable. Relaxing in them is tough to do. You can't really work, or watch movies and TV shows.

The Canoo – as a room on wheels – is designed to do *all of those things*. To that end, this new car design could end up being the backbone of a new generation of self-driving cars that are more mobile entertainment hubs than transportation mediums.

And guess who owns the patents behind this proprietary skateboard architecture? Canoo.

As if this revolutionary hardware innovation weren't enough, the company is also pioneering a new way to buy cars.

Traditionally, consumers either owned or leased a vehicle. Canoo is disrupting this status quo with a pure *subscription* model.

It's basically a direct-to-consumer leasing model, without a down payment and with a minimum term of just one month.

Say you want a Canoo vehicle. You download the Canoo app. You apply to be a member. Once approved, you pick your Canoo vehicle and time frame in months. You go and pick-up your Canoo, pay to use it every month, and return it at the end of the subscription.

This new “Transportation-as-a-Service” business model is genius for two reasons.

One, it's significantly higher margin. Because Canoo essentially “re-sells” the same vehicle multiple times throughout its life, the company generates significantly more revenue per vehicle than a legacy OEM, on the same cost basis, leading to 4X the margins on each vehicle.

Two, it aligns with today's consumer interests. Everything is a subscription these days. Your shopping (Amazon). Your movies (Netflix). Your music (Spotify). Your workouts (Peloton). Your kids' education (Chegg).

Why not your car?

Indeed, that's the direction we are headed – and Canoo is leading the way.

Zooming out, with Canoo you have arguably the most innovative EV maker in the world, with a proprietary hardware platform that could be the backbone of a new generation of self-driving cars, and a disruptive business model that could merge the burgeoning subscription economy with the rapidly changing auto market.

Sure, Canoo – with zero cars sold to-date and no cars planned until 2022 – is a moonshot.

But it's a moonshot worth betting on, because its innovative foundation has the potential to *unlock enormous long-term value*.

So... if you're looking for a differentiated, hyperinnovative way to play the EV megatrend, you should consider taking a position in Canoo stock today.

Key Company Details

Company Name	Hennessy Capital Acquisition Corp. IV
Ticker Symbol	HCAC
Share Price	\$12.56
Current Market Value	\$1.8 Billion
Annual Revenue	\$2.3 Billion
Catalyst	Electric Vehicle (EV) Megatrend

A Brand-New Live TV Streaming Stock for the Second Half of the CTV Revolution

By Luke Lango December 2, 2020

Did you know that *4 out of every 5 households* in the U.S. have either a Netflix, Amazon Prime, or Hulu video subscription?

Talk about rapid disruption.

Netflix started the streaming TV revolution in 2012 when the company launched a standalone streaming service. Eight years later, we're all binge-watching *Queen's Gambit*.

It's easy to look at this level of streaming service ubiquity, and say the streaming TV revolution has already happened.

But it hasn't...

The streaming TV revolution is actually only halfway done.

Because guess what: most of us still haven't cut the cord.

Over 60% of U.S. households still pay for cable TV, with the most common entertainment mix today being Netflix *and* cable TV, because we still like live TV and sports – two things which today's biggest streaming services don't give us.

But that's all changing...

A new class of live TV streaming services is emerging which have sufficient live TV and sports content firepower to get all of us to cut the cord, make pay TV obsolete, and complete the streaming TV revolution.

The time to invest in these new live TV streaming services is right now.

In today's edition of *The Daily 10X*, we will unveil a small, freshly public tech company that is a pure-play on the live TV streaming revolution – and which could, over the next few years, easily score you 10X returns.

A Compelling Pure-Play on Live TV Streaming Disruption

There are a lot of live TV streaming services out there.

YouTube TV. Hulu with Live Sports. Sling TV. So on and so forth.

Together, these live TV streaming services are allowing customers to watch all of their favorite live TV shows and sporting events, without needing a cable box or messy wires, and at a fraction of the price of traditional linear TV (which runs north of \$100 per month, versus \$60 or less for many of these live TV streaming services).

Because their advantages are so obvious and so large, this emerging class of live TV streaming services will *rapidly disrupt* the TV industry over the next decade.

By 2030, none of us will have cable TV – we will all be subscribed to some mix of Netflix, Disney+, and one of these live TV streaming services.

It's an enormous disruption which very few people are talking about today.

The market's best and only pure-play on this live TV streaming revolution is a small, freshly public company by the name of fuboTV (FUBO).

fuboTV is a live TV streaming service operator, much like YouTube TV and Sling TV. But the cool thing about this company is that in the live TV streaming world, fuboTV gives consumers the most bang for their buck.

That is, the fuboTV entry-level package includes 113 channels – including all of the live sports and big news channels – for just *\$65 per month*.

YouTubeTV has the same price point... for just 85 channels.

Hulu is \$10 cheaper... for about half as many channels.

Sling TV costs only \$30... for roughly 40 channels, with a hit-or-miss portfolio of live sports and news channels.

In other words, fuboTV is the live TV streaming world's closest and most economically sensible analog to linear TV.

Customers are starting to resonate with this unique fuboTV value prop, as they look to finally and fully cut the cord.

Last quarter, fuboTV grew its paying subscriber base by *58%*, on top of 42% growth in the year ago quarter.

This growth story is just getting started.

fuboTV ended the third quarter of 2020 with 455,000 paying subscribers. There are over 120 million TV households in the U.S. alone. Given the platform's early traction and unique value prop, it's easy to see fuboTV scaling to 10-plus million subscribers over the next few years, as the whole country pivots from linear TV packages to live TV streaming services.

10 million subs... \$65 monthly price points... maybe 20% to 30% operating margins as economies of scale kick in...

Add it all up, and fuboTV has visibility to netting over \$1.5 billion in profits within the next few years.

A simple 20X multiple on that imputes a \$30 BILLION future valuation for fuboTV.

The market cap today hovers around \$1.8 billion.

That's big enough upside potential to make fuboTV stock a compelling play on the live TV streaming revolution of the 2020s.

Key Company Details

Company Name	fuboTV Inc.
Ticker Symbol	FUBO
Share Price	\$27.10
Current Market Value	\$1.8 Billion
Annual Revenue	\$111 Million
Catalyst	Live TV Streaming Revolution

This Undervalued, Hypergrowth Tech Stock is Ready to Break Out

By Luke Lango December 3, 2020

What's your credit score?

Of course, you don't have to tell me. But if you wanted to, I bet you could give me a ballpark answer without having to look it up.

In modern society, credit scores are like phone numbers and addresses – they are numbers which we know like the back of our hands.

That's because credit is the backbone of modern financial society. Having good credit is what allows many Americans to buy homes, cars, furniture, etc – basically any big-ticket, physical asset.

But what if you have bad credit?

Traditionally, consumers with bad credit have been restricted from being able to buy things that individuals with good credit can buy.

That's a big problem, because 50 million American adults are either underbanked or sub-prime – meaning that about one out of every four adults in the U.S. does not have access to buying certain physical assets, unless they have the cash on hand (and not many do).

But one small, hypergrowth tech company is fixing this problem...

By leveraging data-powered analytics to pioneer a disruptive, new commerce model which gives consumers with sub-prime credit access to formerly restricted physical assets in a highly-flexible, risk-protected way.

It's a genius disruption – and Wall Street is completely sleeping on it.

In today's edition of *The Daily 10X*, we will tell you all about this micro-cap tech company, and show you why this slept-on stock is ready to break out in a big way.

Pioneering a Disruptive Solution to Fix the Subprime Credit Problem

For decades, several companies have attempted to solve the sub-prime credit problem through lease-to-own (LTO) models wherein a company leases out products to sub-prime consumers, who eventually end up outright buying the product.

But these legacy LTO models have two big shortcomings: they're *physical* and they're *dumb*.

That is, the LTO market is still largely run out of physical LTO store locations, and is built on guessing-and-checking games with credit scores – which, of course, leaves LTO companies exposed to tremendous liquidity risks.

A tiny, \$40 million tech company by the name of FlexShopper (FPAY) is revolutionizing and optimizing the LTO market by fixing these two shortcomings.

FlexShopper has created the world's first virtual lease-to-own (vLTO) platform built on the back of smart, data-driven risk analytics and underwriting models.

Essentially, FlexShopper is making LTO shopping *digital* and *smart*.

The company operates FlexShopper.com, an e-commerce website which sources consumer electronics and furniture products from merchants like Best Buy, and offers those products to customers through a weekly subscription LTO model – i.e. you pay \$15 per week for a Nintendo Switch gaming console, and at the end of 12 months, you own the console.

In order to qualify for the offers, you have to be approved by FlexShopper's proprietary risk algorithm which leverages in-house customer and payment data to

properly assess the financial risk of customers, and effectively underwrite policies in a low-risk way.

By making LTO shopping digital and smart, FlexShopper has created a disruptive new commerce model which solves the sub-prime credit problem, thereby giving sub-prime consumers highly flexible, low-risk, hyper-convenient access to formerly restricted physical assets.

Sub-prime consumers are responding by flocking to FlexShopper.com.

FlexShopper's revenues rose *28%* in 2018 and *44%* in 2019, and are expected to rise another *17%* in 2020, even amid a pandemic which has disproportionately impacted the company's target demographic: lower-income, cash-strapped Americans.

That's actually a reason why FlexShopper stock looks so attractive *right now*.

The Covid-19 pandemic escalated FlexShopper's liquidity risks by financially burdening the company's target demographic. As a result, FlexShopper stock today is dirt cheap.

This is a \$40 million company that is set to do \$100 million in sales this year. That sales number is only growing... *very quickly*... with sales expected at \$165 million in 2021... and, on top of all that, FlexShopper has been EBITDA profitable for seven straight quarters.

The only reason a hypergrowth, profitable company like FlexShopper should be valued at less than half its sales is if the company has enormous liquidity risks.

But FlexShopper doesn't have enormous liquidity risks - and any major liquidity fears surrounding the company today will significantly subside in 2021, as the Covid-19 pandemic gradually fades from the spotlight with the widespread distribution of highly effective vaccines.

Net net, the time to buy this hypergrowth tech company pioneering a disruptive vLTO model is right now.

So... if you're looking for an explosive and innovative way to play the economic recovery... you should consider taking a position in FlexShopper stock today.

Key Company Details

Company Name	FlexShopper, Inc.
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Ticker Symbol	FPAY
Share Price	\$1.92
Current Market Value	\$40 Million
Annual Revenue	\$96 Million
Catalyst	Virtual Lease-to-Own (vLTO) Revolution

Today's Cybersecurity Solutions Are Vulnerable. This Hypergrowth Tech Company is Here to Save the Day

By Luke Lango December 4, 2020

Remember when emails used to be the end-all, be-all of workplace software?

You had your computer, your email, and... *that was that*.

Back in those good ole' days, hackers hoping to penetrate an enterprise ecosystem had only one entry point: through email attacks.

They embedded malware in gimmicky emails that they would send to employees in hopes that somebody would open the email, click the link, and infect their computer.

But times have changed.

The former mecca of workplace software, email is now just one tiny component in a massively interconnected web of workplace software tools.

This web includes social media business accounts, Slack channels, Zoom meetings, Miro boards, Asana calendars, so on and so forth.

The enterprise software ecosystem has become *extremely complex*.

So, too, have hacking methods.

Before, hackers only had one entry point, and one hacking method. Today, they have a seemingly infinite number of entry points, and a seemingly infinite number of hacking methods at their disposal.

Identity theft. Social media account hacking. Compromised emails. Leaked data. Slack account takeovers. Zoom bombings.

The list goes on and on...

That's the bad news. The worse news?

Most cybersecurity platforms today are ill-equipped to handle this next-generation evolution of digital threats.

They were built for the old era. They are great at protecting companies from email threats – and not so great at protecting them from anything else.

But... there is one emerging, hypergrowth cybersecurity company that is pioneering a breakthrough solution to safeguard enterprises from *all types of digital threats*.

In today's edition of *The Daily 10X*, we will tell you all about this hypergrowth software company, and show you why its breakthrough cybersecurity solution is a golden ticket to 10X gains over the next several years.

An Omnichannel Cybersecurity Solution Built for the Modern Hyperconnected Era

In today's hyperconnected era, old-school email security platforms that protect just your email simply won't cut it – and that's why a \$2.8 billion tech company by the name of Mimecast (MIME) has entirely reimaged email security systems.

Specifically, the company has developed what it calls an *Email Security 3.0* platform which is an omni-channel, integrated, holistic email security ecosystem that protects enterprises from every single type of digital threat, regardless of where that threat originates.

It's a breakthrough email security platform built for today's hyperconnected world.

At a high level, the architecture of Mimecast's Email Security 3.0 platform is fairly easy to understand.

Mimecast breaks down email security into three zones, and has developed robust cybersecurity tools to protect enterprises against digital threats in each zone:

1. Zone 1: The Perimeter. This includes all outbound, north-south emails that originate outside an enterprise's ecosystem (i.e. a hacker remotely sends a malware email or message to employees). Mimecast has developed tools to identify and block such emails.
2. Zone 2: The Interior. This includes all inbound, east-west emails that originate within an enterprise's ecosystem (i.e. a hacker steals the credentials of an employee, and falsely sends a malware email or message from that employee's accounts). Mimecast has developed tools to secure credentials, and safeguard other employees when credentials have been compromised.
3. Zone 3: The Exterior. This includes all digital networking and messaging outside of an enterprise's software ecosystem (i.e. a hacker steals a company's Twitter login info). Mimecast has developed tools to help enterprises secure their exterior networks, and shut down threats as soon as they emerge.

All in all, Mimecast's novel Email Security 3.0 platform protects enterprises from all threats, all the time, everywhere.

It's basically *the best* and *most comprehensive* email security system in the world.

And I'm not the only one saying that...

For more than half a decade, Mimecast has been named a Leader in Gartner's Magic Quadrant for Enterprise Information Archiving, because of the company's "ability to execute" and "completeness of vision."

Meanwhile, independent verified reviews of Mimecast on enterprise software review sights like Gartner and TrustRadius are generally very, *very* high.

The consistent theme?

Mimecast's all-in-one cybersecurity functionality is a big win.

It should be no surprise, then, that Mimecast has grown its customer base by 118% since 2015, or that average spend per customer rose 42% from 2015 to 2019, or that revenues rose more than 200% over that same stretch.

This is a best-in-breed cybersecurity company in *hypergrowth* mode.

The good times won't stop anytime soon.

With revenues expected to come in around \$500 million this year, Mimecast is tapping into just 2% of its \$23.8 billion addressable market in e-mail security... at the same time that holistic, omnichannel security solutions are becoming more important than ever... meaning big revenue growth is here to stay.

Plus, this is a hyperscalable software business with 70%-plus gross margins, and a long track record of positive operating leverage (EBITDA margins have gone from below 7% in 2016, to what should be above 20% this year, with room to run above 30% long-term).

Connecting the dots, it's easy to see that Mimecast has all the necessary ingredients to be an enormous long-term winner.

So, if you're looking to buff out your portfolio with a top-notch enterprise software company, you should consider taking a position in Mimecast stock today.

Key Company Details

Company Name	Mimecast Limited
Ticker Symbol	MIME
Share Price	\$43.73
Current Market Value	\$2.8 Billion
Annual Revenue	\$462 Million
Catalyst	Email Security 3.0 Innovation

Weekly Update: Don't Let Record Valuations Scare You Out of Winning Stocks

Is it time to *sell everything*?

That's what some bears, pundits, and mainstream analysts would tell you – and they'd actually have a pretty compelling argument.

With stocks continuing to climb ever higher, the stock market as a whole has entered dangerous and largely unprecedented valuation territory.

The S&P 500 now trades at 22.1-times forward earnings. That's the largest forward multiple the market has traded at since the Dot Com Bubble. It's also 27% above the market's 5-year average forward multiple (17.4) and 42% above the 10-year average forward multiple (15.6).

Ostensibly, those are some scary numbers.

They do paint a picture of a greedy market, and – as the great Warren Buffet is famous for saying – sometimes it pays to be fearful when others are greedy.

So, again... *is it time to sell everything*?

Not so fast.

The aforementioned numbers need context.

Interest rates are stuck at zero, with the Fed committing to a zero-interest-rate policy for the next three years (at least). In a zero-interest-rate environment, fixed income instruments tend to yield close to nothing – so everyone rushes into stocks to get any sort of return that beats inflation.

This dynamic naturally inflates the market's valuation.

Importantly, this dynamic will remain in-place so long as interest rates remain stuck at zero, and therefore, stocks *deserve* to trade at inflated multiples for the foreseeable future.

Even further, today's forward earnings base isn't a great measure on which to value stocks. In this case, forward earnings comprise earnings from the fourth quarter of 2020 to the third quarter of 2021.

Most – if not *all* – of those quarters will be harshly impacted by Covid-19.

But with highly effective vaccines in the pipeline, we know that Covid-19 is a temporary headwind which will very likely phase out by late 2021. Thus, the economy won't be “normal” again until 2022, and therefore, earnings won't be “normal” again until 2022.

Indeed, if you look at Wall Street consensus earnings estimates, the S&P 500's earnings per share are expected to jump more than 16% from \$168.67 in 2021, to \$196.35 in 2022 – and those 2022 estimates are *climbing higher every week*.

In other words, the market today isn't so much greedy, as it is just forward-looking.

Now, with this context, let's do some math ourselves.

Let's say 2022 EPS estimates keep moving higher, and end up somewhere around \$210. A fair multiple for the stock market in a zero-interest-rate environment is 20X. A 20X forward multiple on \$210 in 2022 projected EPS implies a 2021 price target for the S&P 500 of 4,200.

The S&P 500 today trades around 3,700.

In our very realistic and plausible scenario, then, the stock market has *~14% upside potential* over the next 12 months.

So... I ask again... is it time to sell everything?

Hardly.

A potential 14% rally in the market over the next 12 months is very attractive – especially when you consider that buying a 10-Year Treasury note would give you less than a 1% return over that same stretch.

The implication, of course, is that you should stick with stocks.

Taking that one step further, you should especially stick with hypergrowth stocks, because in a rising market tide, *hypergrowth stocks tend to lead the pack*.

With that in mind, let's dive into this edition of *The Daily 10X* Weekly Update, and break down some *DTX* stocks that have staged big moves over the past few weeks.

Luminar (LAZR) Soars After Closing Merger

In our [September 17 issue](#), we told you that LiDAR maker Luminar Technologies was the best way to play the self-driving revolution – and that Luminar stock could end up being one of the stock market's single biggest winners in the 2020s.

Since then, Luminar stock has *soared as much as 164%*, with a big chunk of those gains coming in the past week after Luminar officially closed its business merger with blank-check company Gores Metropoulous.

From our point of view, this enormous rally in Luminar stock makes complete sense – and in the big picture, it's just the beginning of a much bigger, much longer rally in a stock that will soar to \$100-plus.

Why?

Because LiDAR is a necessary technology at the foundation of the self-driving revolution, and Luminar is the best self-driving LiDAR maker in the world, having built the industry's only viable long-range LiDAR that will soon see ubiquitous auto industry uptake as a new generation of "smart cars" emerges.

This company is a long-term winner.

At a sub-\$10 billion valuation, Luminar stock still has tons of room to drive higher.

MicroStrategy (MSTR) Soars on Bitcoin Hype

Less than two months ago – in our [October 8 issue](#) – we told you about a small BI software company by the name of MicroStrategy, which we said was due for big gains as it pioneered a breakthrough solution called Hyperintelligence to fix the Intelligence Economy's biggest problem: uneven access to data/information across the enterprise.

Since then, MicroStrategy stock has *soared as much as 131%*.

Perhaps surprisingly, though, this big rally hasn't been driven by Hyperintelligence.

Instead, it's been driven by Bitcoin.

In a bullish bet on the cryptocurrency back in August, MicroStrategy spent half of its \$500 million cash hoard on buying Bitcoin. The company purchased another \$175 million worth of Bitcoin the following month – bringing its total ownership to 38,250 Bitcoins that are now worth over \$725 million.

That's important, because it basically means MicroStrategy now has more than \$700 million to spend on improving and scaling its new Hyperintelligence platform.

Thus, by going "all in" with Bitcoin back in August, MicroStrategy has put itself in a great position to *fundamentally* and *forever* change its business for the better.

Of course, that's bullish for MicroStrategy stock.

Workhorse (WKHS) Rides the Roller Coaster After USPS Contract Delay

In our [August 25 issue](#), we told you about Workhorse, a next-generation electric vehicle and aircraft manufacturer on the cusp of pioneering disruptive growth in the "needs-to-be-upgraded" last-mile delivery market.

Since then, Workhorse stock has *soared as much as 90%*.

But, some of those big gains were eroded this week after the U.S. Postal Service announced that it would yet again delay awarding a winner for its \$6 billion delivery fleet upgrade contract.

That's a big deal for Workhorse.

The company is one of three finalists for that huge contract. Winning all or even part of that contract would cement the company as a leader in electric delivery vans, and set the stage for big growth over the next few years. Losing the contract, meanwhile, would significantly cloud the forward growth outlook.

But, in context, this delay is a factor of geopolitical and public health conditions more than anything else.

The USPS is a government agency, and it looks like we will be getting a new President in 2021. Plus, the Covid-19 situation has rapidly deteriorated in recent weeks.

Against that backdrop, it makes sense that USPS delayed the contract decision. It's the smart move. It's the right move.

And it ultimately does not change the fact that Workhorse is still very likely to win all or part of that contract.

Of the three finalists that remain, Workhorse is simply the best fit for USPS at this point in time.

So... look to buy Workhorse stock on any big dips related to this contract delay.

Desktop Metal (TRNE) Catches Fire

Just two weeks ago – in our [November 20 issue](#) – we told you about Desktop Metal, the brainchild of MIT professors that has turned into a compelling and innovative metal additive manufacturing company at the epicenter of the Fourth Industrial Revolution.

Since then, Desktop Metal stock has *soared as much as 59%*.

You can chalk up the gains to general enthusiasm about the 3D printing industry and hype in the SPAC world.

Zooming out, we continue to see metal AM technology as revolutionizing factories and assembly lines over the next decade, and further see Desktop Metal as the most innovative metal AM player in the space that will be at the forefront of this disruption.

But, more near-term, we are excited about Desktop Metal stock because it is “pre-merger.”

A consistent pattern that has emerged among high-quality SPACs is that they tend to soar once their merger with the target company closes. See QuantumScape (QS) or Luminar (LAZR).

Desktop Metal, as one of the *highest quality* companies in the SPAC world, could easily follow in those footsteps – and to that extent, the near-term upside potential in Desktop Metal is just as compelling as the long-term upside potential.

We remain bullish.

In case you missed any of this week's issues, we talked about...

- [Sunnova](#) (NOVA), a solar energy marketplace pioneering a genius solar-as-a-service business model to organize the messy solar market.
- [Canoo](#) (HCAC), a hyperinnovative EV maker that is attempting to disrupt everything we know about cars and create a new class of made-for-self-driving vehicles.
- [fuboTV](#) (FUBO), a hypergrowth live TV streaming service operator that is at the epicenter of the second half of the connected TV revolution.
- [FlexShopper](#) (FPAY), a small e-commerce company revolutionizing, modernizing, and optimizing the quickly growing lease-to-own (LTO) market.
- [Mimecast](#) (MIME), a cybersecurity company entirely reimagining email security systems for the modern, omni-channel era.
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Monthly Review: Turning the Future into Your Enormous Gains

By Luke Lango December 6, 2020

There are a lot of things you probably do once a week.

Go grocery shopping. Fuel up the car. Maybe go out to the movies (before Covid-19).

Now, as a *Daily 10X* subscriber, you can add “*receive a 100% upside stock pick*” to that list.

Since our inception in May 2020, we have given subscribers 141 unique stock picks. In just over six months, 31 of those picks have at least doubled at some point in time.

That means that more than 1 out of every 5 stock picks we’ve given you (or 21.9%, to be exact) has risen by more than 100%.

At a stock pick per trading day, that averages out to about one 100% pick per week.

Not to mention, we’ve also delivered 15 picks that have risen 200% or more, 6 picks that have risen 400% or more, 2 picks that have risen 500% or more, and 1 pick that’s already up 10X.

All in just over six months...

Average return across all our picks? Just over 50%. Again, in just six months, so that works out to an *annualized return of about 100%*.

Here’s our *DTX* Monthly Scorecard:

<i>% Return</i>	<i># of Stocks from DTX</i>	<i>Change from Last Month</i>
10% or more	120	+32
20% or more	106	+35
50% or more	67	+32
100% or more	31	+19
200% or more	15	+10
400% or more	6	+4
500% or more	2	+1
1,000% or more	1	+1

That's the good news.

The better news?

Things are only going to get *better*.

We've been saying for a while now that the world is changing today more rapidly than it ever has before.

Multiple breakthrough technologies are converging on a once-in-a-lifetime pandemic and shifting demographics to accelerate world-changing trends, and by 2030, *the world will look a lot different* than it does in 2020.

Solar and wind will unseat coal as the world's largest energy source.

Electric vehicles will make gas cars obsolete.

Movie theaters, malls, casinos, and offices will all increasingly be virtualized.

Self-driving cars will become a reality.

Space tourism flights will be a real thing. So will burger-flipping robots, cannabis-infused chocolates, and psychedelic-inspired medicines.

Plant meat will become a much bigger part of our diets.

Manufacturing and assembly lines will be flipped on their heads by automation technology.

All around you, the world is changing, *very rapidly*.

And as longtime readers know, where there's change, there's opportunity.

Wall Street is finally starting to notice all of this disruption.

That's why so many *DTX* stocks surged in November – because big money is finally warming up to the idea that the world of tomorrow will be defined by a new class of emerging, innovative companies working on solar technology, electric vehicles, self-driving cars, online gambling, plant meat, etc.

The big rally in these disruptive, next-generation stocks is just getting started.

Most of the companies in these emerging fields are worth no more than a few billion dollars. Yet they are fundamentally disrupting multi-trillion-dollar industries – and in the long run, a handful will emerge as multi-hundred-billion-dollar titans of industry.

In the coming months, we are going to keep doing what we've been doing, and that is exposing you to the most *promising, explosive, and innovative* investment opportunities in the market's biggest investment trends.

It's a recipe which has worked – and which will keep working – wonders.

Because, after all, we invest in the future, and the future is an unstoppable force that waits for no one.

This Brand-New LiDAR Stock is Ready to Follow in the Explosive Footsteps of Luminar

By Luke Lango December 7, 2020

The era of self-driving has arrived.

What was once purely a science fiction concept is increasingly turning into a reality thanks to the convergence of multiple breakthrough technologies that are enabling cars to safely and effectively drive themselves.

The biggest of these breakthrough technologies is something called LiDAR – which are add-on, laser light sensors that essentially give cars the power of “vision” through advanced perception sensing tech.

These LiDAR sensors are the *foundational technology of self-driving*, and as such, will be ubiquitously adopted in the next generation of self-driving “smart” cars.

That's why LiDAR makers – like [Luminar](#) (LAZR), which we told you about two months ago – are the hottest ticket on Wall Street these days.

Luminar stock has soared as much as *170%* since we highlighted it in September.

But... most of these LiDAR makers – Luminar included – build their sensors on something called Time-of-Flight (or ToF) techniques, which have significant limitations.

Time-of-Flight LiDAR sensors essentially send out laser pulses and measure the time it takes for those pulses to return to the sensor. They use the “time of flight” as a proxy for distance.

While ToF LiDAR sensors are cool, they also provide a choppy signal that is open to ample interference/noise from sunlight photons and other lasers.

To be sure, Luminar and others are developing novel techniques to address these shortcomings – but their existence alone opens the door for an entirely new, groundbreaking technology to emerge and disrupt the LiDAR status quo.

In today’s edition of *The Daily 10X*, we will tell you all about this groundbreaking new LiDAR tech, the brand-new company at the epicenter of it, and how you can turn this disruption into 20X gains.

Pioneering a Disruptive LiDAR Tech Breakthrough that Could Lead to 20X Gains

In order to address the shortcomings of ToF LiDAR sensors, two former Apple engineers founded a self-driving tech company by the name of Aeva back in 2017.

Three years later, Aeva is set to go public via a merger with blank-check company InterPrivate Acquisition (IPV) – and in so doing, this disruptive tech company is giving you an *explosive investment opportunity*.

What’s the story?

Aeva is pioneering a new type of LiDAR sensors built on something called Frequency Modulated Continuous Wave (or FMCW) techniques.

Unlike ToF sensors, FMCW sensors transmit and receive a continuous laser beam, and measure differences in the frequencies of the outgoing laser beam from the incoming one to measure the distance of objects.

In other words, ToF uses time to measure distance, whereas FMCW uses frequency to measure distance.

The critical difference here is that ToF sends out *laser pulses*, while FMCW deploys one *continuous laser beam*. Pulses provide choppy signal subject to noise. Continuous beams provide fluid signal with significantly less noise.

To that end, FMCW LiDAR sensors robustly address the shortcomings of ToF LiDAR.

Now... that doesn’t mean FMCW tech will make ToF tech obsolete. FMCW sensors also have their shortcomings, including range, speed and cost – the last of which is the biggest obstacle to adoption today.

As such, in the self-driving world of tomorrow, high-quality ToF LiDAR sensors with smart adjustments for noise cancellation project as the most commonly adopted solution.

But, the innate advantages of FMCW mean that there will inevitably emerge a *huge market for FMCW LiDAR sensors over the next decade* – likely in the premium auto market, where zero interference is a meaningful feature and price is less of an obstacle.

Aeva is at the epicenter of that market.

Indeed, Aeva is simply the “Luminar of FMCW LiDAR sensors.”

That is, when it comes to FMCW sensors, Aeva has:

1. The right roots. Aeva was founded by two highly regarded former Apple engineers, and now counts semiconductor and auto industry veterans as execs.
2. The best technology. Aeva’s proprietary, first-to-market FMCW LiDAR sensors operate 5X faster than legacy LiDAR tech, while drawing on 10X less power, leading to superior performance and durability.
3. The strongest partnerships. Aeva’s market-leading technology has been validated by customers, as the company has partnered with 2 top truck programs, 3 global luxury sedan makers (including Porsche and Audi), and 2 top mobility/tech companies.

Aeva is the best-in-breed FMCW LiDAR sensor maker in the world – and a company that projects as a very important player in the premium self-driving car world.

How high can Aeva stock go?

The company is currently valued around \$2 billion. My numbers suggest that – under conservative long-term assumptions that Aeva dominates the premium auto market but doesn’t snag much market share anywhere else – this company could clear \$2 billion in net profits by 2030.

A 20X multiple on that implies a potential \$40 BILLION valuation in the long run.

Thus, Aeva stock truly is a *potential 20X winner* over the next decade.

So... if you’re bullish on self-driving, you should consider buying Aeva stock today.

Key Company Details

Company Name	InterPrivate Acquisition Corp.
Ticker Symbol	IPV
Share Price	\$12.50
Current Market Value	\$387 Million
Annual Revenue	N/A
Catalyst	Self-Driving Technology Megatrend

The Healthy Eating Megatrend Will Send this Small Stock Soaring

By Luke Lango December 8, 2020

Look around you.

People are changing what they eat.

10 years ago, everyone was eating Big Macs, drinking Coca-Cola, and ordering triple scoop servings at Cold Stone.

Now, everyone's eating plant burgers and acai bowls. They're drinking kombucha, cold-pressed juices, and sparkling water. They're skipping ice cream parlors, and going to new frozen yogurt shops.

Diets are changing.

And they're changing because increasingly health-conscious consumers are cutting out fats, sugars, and processed junk from their lives, as an abundance of research has shown these additives to be exceptionally detrimental to human health and longevity.

Instead, they're opting for healthier options.

Foods and drinks that are sugar-free, dairy-free, low-carb, plant-based, clean-label, gluten-free, etc.

This emerging category of “*better for you*” foods and drinks represents the future of our diets.

Yet, recent research has found that 97% of the stuff sold at your local grocery store doesn’t have a clean label.

Clearly, then, there exists an enormous opportunity over the next decade for a new generation of “better for you” food and drink products to truly redefine the human diet.

In today’s edition of *The Daily 10X*, we will show you how to play this healthy eating megatrend, by buying a small, freshly public healthy goods conglomerate that has the necessary ingredients to be a big player in the “better for you” world of the future.

Pioneering a Healthier Tomorrow with Better-for-You Sugar Alternatives

One of the more prevalent shifts in the human diet over the past decade has been a *shift away from sugars*.

In the 2010s, more and more research has shown the negative health impacts of excessive sugar intake. As it has, consumers have increasingly ditched sugar in favor of less bad-for-you sweeteners.

The prevalence of products containing the common sweetener sucralose (or Splenda) in grocery stores has increased from 39% in 2002, to 71% in 2018.

But... more recent research has shown that sucralose itself *isn’t that good for you*, as multiple studies have corroborated the finding that it’s bad for your metabolism.

So, in response to this new science, the sugar market is shifting... again... but this time from processed sweeteners, to plant-based/clean-label sugar alternatives.

At the epicenter of this emerging shift is a small, \$370 million healthy food conglomerate by the name of Whole Earth Brands (FREE).

Whole Earth Brands owns a variety of consumer-packaged-goods (CPG) brands – like Whole Earth, Equal, Canderel, Swerve, and Pura Via – all of which specialize in making low-/zero-calorie sugar alternatives built on plant-based ingredients and with entirely clean labels.

These plant-based and clean-label sugar alternatives represent the future of the sugars market, mostly because they encompass all the necessary “better for you” attributes: sugar-free, dairy-free, low-carb, plant-based, clean-label, gluten-free, etc.

Whole Earth’s sugar alternatives are *all of that...* meaning they have a unique opportunity to entirely disrupt the \$7.2 billion and growing global sweetener market.

Sure, Whole Earth isn’t the only company pioneering a new class of sugar alternatives. Plenty of companies are doing the same. Indeed, we told you about one such company named [Laird Superfood](#) (LSF) just a few weeks ago.

But Whole Earth has emerged as a leader in the healthy sugar alternatives market, with either first- or second-place market share in all the major geographies in which the company operates, mostly because the company’s products are simply really good.

Plus, Whole Earth is a global player, with a global distribution and manufacturing footprint, meaning that the company has exposure to the entire global healthy eating megatrend – not just one geographical niche of it.

And, the company has an underlying business-to-business operation that sells flavors and ingredients (mostly licorice) to peer CPG companies. This business isn’t much of a grower, but it does produce stable and steady cash flows, which management is leaning into to fund its hypergrowth healthy sugar alternative business.

Connecting the dots, Whole Earth Brands isn’t just another emerging healthy foods company with a pipeline dream. This company, instead, has a real and legitimate opportunity to turn into the backbone of a multi-billion-dollar healthy sugar alternatives market.

With a market cap of just over \$370 million, Whole Earth Brands stock is far from being priced for this multi-billion-dollar disruptive potential.

Perhaps that’s why Wall Street firm Cantor Fitzgerald recently launched coverage on the stock with an Overweight rating, saying shares *could more than double* over the next 12 months.

They can. But more than that, Whole Earth Brands stock could rise 10X to \$100-plus prices over the next decade as healthy sugar alternatives become the global norm.

Needless to say, then, Whole Earth Brands stock is worth checking out today.

Key Company Details

Company Name	Whole Earth Brands, Inc.
Ticker Symbol	FREE
Share Price	\$9.79
Current Market Value	\$376 Million
Annual Revenue	-\$3.6 Million
Catalyst	Healthy Eating Megatrend

The Global Seismic Shift into a Data-Driven Future Will Spark Huge Gains in this Emerging Ad Tech Stock

By Luke Lango December 9, 2020

Data is changing *everything* about our world.

It's changing how businesses make decisions. It's changing how companies make money. It's changing how designers make products. It's changing how studios produce movies, and how artists make songs.

Data is changing everything.

Change is just another word for disruption... and as longtime readers know, where there's disruption, *there's opportunity*.

The global seismic shift into a data-driven future represents one of the most compelling investment opportunities of the 2020s.

Big money has already been made here.

Splunk – a company that helps businesses transform machine data into actionable insights – has scored investors 865% returns since its 2012 IPO.

MongoDB – a revolutionary modern databasing company – is up more than 1,110% from its 2017 IPO.

The Trade Desk – an ad tech platform that is pioneering a new era of data-driven advertising – has soared a jaw-dropping 4,900% from its 2016 IPO.

These gains will keep rolling in – and only get bigger and bigger and bigger – as data-driven processes and strategies become the backbone of a smarter tomorrow.

In today's edition of *The Daily 10X*, we will tell you about an under-the-radar way to play this data megatrend. It's by buying an emerging, small-cap ad tech company that has an opportunity to turn into the information backbone of a trillion-dollar data-driven advertising industry.

Turning Crisis into Opportunity in the Data-Driven Ad Market

One of the larger shifts in the Data Revolution is the trillion-dollar shift towards data-driven advertising.

Traditionally, ad spending was transacted by humans in a largely guess-and-check process that took forever. Today, the ad spending process is being revolutionized by AI-powered computers that can automatically, dynamically, and optimally allocate ad dollars based on data-driven algorithms.

Basically, the coupling of technology and data is making the ad spending process infinitely *faster, smarter, and better*.

This shift is what has underpinned the near 5,000% gain in The Trade Desk stock over the past four years.

But this enormous shift towards data-driven advertising is actually in crisis mode.

That's because data-driven advertising is built on consumer data, and the traditional way publishers and marketers have collected consumer data – through third-party “cookies” – is being phased out of the industry due to data privacy and control concerns.

Without this consumer data, data-driven advertising does not work. After all, how do you know what ad to put in front of what consumer, if you know nothing about the consumers?

Coming to the industry's rescue is a small, \$4 billion ad tech company by the name of LiveRamp (RAMP).

By nature, LiveRamp is a data connectivity platform that allows businesses to connect, store, and measure all of the data in its ecosystem. The company has historically catered its services to the advertising market, enabling publishers and marketers to connect, store, and measure consumer data for the purpose of building rich, personalized digital consumer experiences (which, of course, includes relevant ads).

This history of being the “data backbone” of the advertising industry has put LiveRamp in an optimal position to turn the ad industry’s data crisis, into a business opportunity.

The company has done just that.

Through its signature Authenticated Traffic Solution (or ATS, for short), LiveRamp is pioneering a new world wherein data-driven advertising works at full power, *without needing any third-party cookies*.

The process is simple:

1. Publishers collect consented user data (like an email address when they sign-up).
2. Publishers sync this consented user data through ATS with LiveRamp’s IdentityLink graph.
3. Once in the IdentityLink graph, LiveRamp secures and anonymizes the data, and then creates a first-party cookie of sorts that can be used as an identifier for the consumer.
4. Publishers can subsequently leverage this new identifier to match the consumer with ads and personalize their digital experience.

It’s a *genius* fix that results in everyone winning.

Publishers win because they get to keep reaping the rewards of data-driven advertising. Consumers win because they have full control over what data they give to publishers. LiveRamp wins because they turn into the information backbone of a cookie-less data-driven advertising world.

It should be no surprise, then, that ATS is gaining significant traction in the ad world as cookies become obsolete – which has, in turn, powered accelerating growth at LiveRamp.

In 2016, LiveRamp’s revenues rose just 5% year-over-year...

In 2017, they *rose 26%*. In 2018, they *rose 30%*. In 2019, they *rose 33%*.

This accelerating growth trajectory underscores one simple truth.

LiveRamp is rapidly turning into a mission-critical and ubiquitously adopted component of the data-driven advertising industry.

This is a trillion-dollar industry in the making. LiveRamp is worth just \$4.4 billion today.

Clearly, the long-term upside potential in this stock is enormous – so big, in fact, that you’re going to want to put LiveRamp stock on your buy radar today.

Key Company Details

Company Name	LiveRamp Holdings, Inc.
Ticker Symbol	RAMP
Share Price	\$65.44
Current Market Value	\$4.4 Billion
Annual Revenue	\$412 Million
Catalyst	Data-Driven Advertising Revolution

Wall Street is Sleeping on this Small Smart Home Stock That is Turning the Covid-19 Crisis into a Game-Changing Opportunity

By Luke Lango December 10, 2020

Sometimes it takes a *crisis* for an *opportunity* to emerge.

Take, for example, the last major public health situation that came out of China: the SARS outbreak in 2002.

Before SARS, China was a physical-first economy. E-commerce was an afterthought. But SARS forced big chunks of the Chinese population to rethink their daily habits. One of the big adjustments? A shift to shopping online.

Coming out of that crisis, China's e-commerce market began to boom – and it's been booming ever since. Chinese e-commerce platforms like JD.com and Alibaba have gone from struggling retail shops pre-SARS, to multi-hundred-billion-dollar titans of industry today.

Sometimes, *crisis* turns into *opportunity*.

The Covid-19 crisis will prove no different.

This crisis will inevitably give birth to multiple world-changing opportunities.

Wall Street is already drooling over many of these opportunities, like the shift to hybrid work environments, e-commerce, digital media, and plant meat.

Investors have made big money betting on those emerging opportunities over the past few months.

Zoom (ZM) stock is up 505% year-to-date. Pinterest (PINS) stock is up 275%. Shopify (SHOP) stock is up 170%. Beyond Meat (BYND) stock is up 85%.

But... Wall Street is *asleep at the wheel* when it comes to one particularly compelling investment opportunity that will emerge out of the Covid-19 crisis: The Smart Home Surveillance Boom.

In today's edition of *The Daily 10X*, we will tell you all about this slept-on megatrend, and give you one smart home stock pick that could end up following in the explosive footsteps of Zoom, Pinterest, Shopify, and Beyond Meat.

The Perfect Turnaround Story at the Perfect Time

To date, the smart home surveillance market hasn't been anything too exciting. Smart home cameras have been around for about a decade. During that stretch, they've grown nicely to ~30% household penetration, but are far from being the ubiquitous at-home security tool many futurists thought they would be...

Thanks to Covid-19, though, this market is ready to leap into hypergrowth mode.

The number one reason consumers haven't ubiquitously adopted at-home security cameras is because most people feel safe in their own homes without needing a camera – and that makes sense, because only 3% of homes in any given year are burglarized.

But, with everyone shopping online more now, more packages than ever are being delivered to doorsteps – and by extension, more packages than ever are *being stolen from doorsteps*.

About 30% of homes in the U.S. have had a package stolen from their doorstep in the past year – and that number is only going go up and up as more and more consumers shop online.

In other words, the use case for at-home security systems is shifting, from “protecting my home from burglary” to “protecting my Amazon.com packages from being stolen.”

The latter use case is *far* more prevalent, and therefore, consumers are positioned to much more broadly adopt at-home security cameras over the next decade.

That's great news for Arlo Technologies (ARLO), one of the market's leading manufacturers of at-home security cameras and systems.

The \$580 million company has been in the smart home surveillance game for over five years. Arlo's distinction in the marketplace is its high-quality cameras – which apparently are high-quality enough that Apple (AAPL) recently started exclusively selling Arlo cameras at its own Apple Stores.

That's big. It's basically a vote of confidence from the world's largest and most successful technology hardware company that Arlo's hardware is *best-in-market*.

On the basis that this is one of the top players in a market ripe for a big growth spurt, Arlo stock looks like a solid buy.

But it is actually a transformational business model shift which makes Arlo stock a compelling investment opportunity with multi-bagger potential...

Long story short, there are only so many homes in the world, and at-home cameras don't need to be upgraded that often.

So, even if Arlo were to entirely dominate this market and sell a camera to every home in the world, the company's revenues would forever be lumpy, inconsistent, and not-that-big. Not to mention, they'd be low margin, since Arlo is averaging just ~20% gross margins on each camera sold.

Arlo management knows this, so they've built out a suite of Arlo Smart services – like advanced package and person detection, smoke detection, cloud storage, streamlined 911 calling, etc – to accompany the cameras. Arlo sells these services through a software subscription offering starting at \$3 per camera per month.

These services are the key to Arlo turning burgeoning at-home camera demand into durable profits and significant shareholder value, because they produce annually-recurring revenue streams at 60%-plus gross margins.

Arlo management also knows this – so, earlier this year, they decided to roll-out a 90-day-free trail of Arlo Smart to *all* camera buyers.

It's an aggressive move which has weighed on near-term margins. But it has also accomplished exactly what was supposed to accomplish: Get more people to sign-up for Arlo Smart.

Before this biz model shift, Arlo was converting only 5% of camera buyers into paid Arlo Smart customers. Post biz model shift, the conversion rate has soared to 50%.

If Arlo can sustain this impressive paid software service conversion rate while at the same time selling a whole bunch of cameras amid the home surveillance boom over the next few years...

Well, that's a winning recipe for Arlo's revenues and profits to soar like they never have before.

Arlo stock will follow suit.

So, if you're looking for more ways to turn the Covid-19 crisis into money-making opportunities, you should consider taking a position in Arlo Technologies stock today.

Key Company Details

Company Name	Arlo Technologies, Inc.
Ticker Symbol	ARLO
Share Price	\$7.08
Current Market Value	\$587 Million
Annual Revenue	\$365 Million

Catalyst

Smart Home Surveillance
Boom

An Already Big Solar Stock on the Cusp of Becoming Absolutely Enormous

By Luke Lango December 11, 2020

Solar stocks are on *fire*.

No pun intended.

Year-to-date, the Invesco Solar ETF (TAN) is up a jaw-dropping 145% ...

To put that in perspective, the absolute best year the S&P 500 has had in the past 45 years was in 1995, when the index rose 34%.

In other words, solar stocks in 2020 are performing four times better than the stock market ever has in the past five decades...

That's wild.

And it's not a head-fake. The big 2020 breakout in solar stocks is a sign of the times.

Times where solar is now *the cheapest energy source in the world*, according to the IEA...

Where more than 200 cities and countries across the globe have a "100% clean energy" target for 2030, 2040, or 2050...

Where more than half of U.S. homeowners are considering adding solar panels to their homes...

Where solar is capable of not just fully powering homes, but also fully powering large-scale commercial properties and corporate campuses...

It's a new world.

And in this new world, solar is king. Not coal. Not natural gas. Solar.

It's a once-in-a-lifetime disruption... with huge global implications... and the time to invest is *now*.

In today's edition of *The Daily 10X*, we will show you a strong way to play this solar megatrend – not by buying another small-cap hypergrowth solar stock, but rather by buying an already large solar stock that has the potential to be absolutely enormous one day.

Pioneering a Solar Technology Breakthrough with Game-Changing Implications

One of the largest and most well-known solar companies in the world is SolarEdge (SEDG).

One may assume that – given the company's \$14.1 billion market cap – the big run in SolarEdge stock has already happened.

But that's the wrong assumption to make.

Instead of a small solar company that could one day be big, SolarEdge is a big solar company that could one day be *huge* – and, in that light, SolarEdge stock offers you just as much upside as some of the smaller names in this space.

Here's the story.

Solar systems have three main parts: the modules (which produce DC power when exposed to sunlight), the inverter (which turns DC power into AC power that can be used by the electricity grid), and associated cabling, fuse boxes and mounting hardware.

Traditional solar systems were built with central inverters, or one inverter that connected all the modules in a solar system.

These systems suffer from a “weakest link” problem where – because all the modules in the system are connected by the same inverter – the whole system tends to operate at the power output of the weakest module in the system.

A breakthrough technology called power optimizers were made to fix this “weakest link” problem.

Power optimizers are basically intelligent electronic chips placed on each module, separately, to monitor, track, and adjust (where necessary) the power output of each individual module. In so doing, power optimizers separate the system from the module, and keep each module running at its unique MPP, or maximum power output.

Power optimizers are the future technology backbone of solar. Almost every solar panel at scale will be outfitted with solar optimizers to improve performance.

Who sells those power optimizers?

SolarEdge.

According to IHS Markit, SolarEdge is the top solar inverter/optimizer supplier in the world, based on revenues and wattage.

The company's dominance isn't slipping. According to Wood Mackenzie, SolarEdge has grown its share of the U.S. Residential Solar Inverter Market from near-zero in 2013, to over 60% in 2019 – going from the fifth-largest player in the space, to the single-largest player by a mile.

Why?

Because SolarEdge has the best microinverter and power optimizer technology in the game, and is *setting the gold standard for solar panel performance across the U.S.*

SolarEdge should be able to couple its first-mover's advantage with market-leading resources – the company has over \$1 billion in cash on the balance sheet, about 400 full-time employees, and a \$10+ billion market-cap – to sustain its technology advantage for the foreseeable future.

If so, then SolarEdge has visibility to becoming the ubiquitous technology backbone for the solar industry, with SolarEdge inverters and optimizers being installed in most solar panels in the world.

That, of course, means that as solar takes over the energy market in the 2020s, SolarEdge will turn into a titan of the multi-trillion-dollar global energy industry.

The current titans of industry (electric utility companies) feature \$70+ billion market caps.

SolarEdge could very easily get there one day...

Which means that despite its \$10+ billion valuation, SolarEdge stock is worth a look as a potentially huge long-term winner in the solar revolution.

Key Company Details

Company Name	SolarEdge Technologies, Inc.
Ticker Symbol	SEDG
Share Price	\$271.97
Current Market Value	\$14.1 Billion
Annual Revenue	\$1.5 Billion
Catalyst	Solar Energy Revolution

Weekly Update: The Stock Market's Outlook for 2021 is Strong

By Luke Lango December 12, 2020

Be greedy when others are fearful, and fearful when others are greedy.

Warren Buffet penned that saying back in his 1986 Shareholder Letter, and ever since, it has gone down in Wall Street's Hall of Fame as arguably the most well-known financial advice anyone has uttered... ever.

With the stock market having surged to record highs yet again this week and the forward earnings multiple on the S&P 500

hitting its highest level since the Dot Com Bubble, one could very easily say there's a lot of greed in financial markets today.

Does that mean it's time for you to be fearful?

Not quite.

Although Buffet is the greatest investor of all time and someone worthy of the utmost respect, you cannot take his words and blindly apply them to every situation. After all, one man's words don't drive financial markets.

Fundamentals do. Technicals do. Optics do.

And across the fundamentals, technicals, and optics, there's ample reason to believe this record stock market rally has further runway ahead.

We covered the fundamental argument last week. Broad distribution of highly effective Covid-19 vaccines in 2021 will couple with pent-up consumer demand, post-war-like euphoria, and ample fiscal and monetary stimulus to drive record economic activity and corporate earnings growth over the next 12 to 24 months.

We laid out a path for 2022 EPS estimates to end up somewhere around \$210, on which a 20X forward multiple implies a 2021 price target for the S&P 500 of 4,200.

So... the fundamentals say this rally has another *~15% upside* over the next 12 months.

Meanwhile, the market technicals are very healthy. Of utmost importance, this rally has unmatched breadth, with a decade-high 87% of stocks in the S&P 500 trading above their 200-day moving average.

The last time that figure jumped above 85%? July 2009. Before that, June 2003.

The S&P 500 rose 11% from July 2009 to July 2010. It rose 16% from June 2003 to June 2004.

Thus, history is saying that the level of breadth we are seeing in the market's rally today implies double-digit gains over the next 12 months – which, not coincidentally, lines up with the fundamentals.

Lastly, the optics are also highly favorable.

Rates are stuck at zero. Bonds are yielding next to nothing. Covid-19 vaccines are coming. Earnings estimates are marching higher. Wall Street analysts remain broadly bullish. Sentiment indicators continue to skew towards the bullish side. The economic data is only getting better and better.

Net net, although there does appear to be a lot of greed in financial markets right now, the outlook for the stock market in 2021 is actually very bullish.

So long as the bull market remains alive and well, *small-cap growth stocks will be the market's brightest stars*.

That's because growth stocks tend to outperform during bull markets and when interest rates are stuck at zero, while small-cap stocks tend to outperform during bull markets, too, and in post-election years.

Big picture: 2021 is shaping up to be a banner year for small-cap growth stocks.

Which means that although we've done a great job of delivering you explosive small-growth stock picks to date –

over 20% of our picks have risen more than 100% – things are only going to get better over the next 12 months...

With that in mind, let's dive into this edition of *The Daily 10X* Weekly Update, and break down some *DTX* stocks that have staged big moves over the past few weeks.

Luminar (LAZR) Cools After Short-Seller Attack

In our [September 17 issue](#), we told you that LiDAR maker Luminar Technologies was the best way to play the self-driving revolution – and that Luminar stock could end up being one of the stock market's single biggest winners in the 2020s.

Since then, Luminar stock has *soared as much as 276%*.

But, Luminar stock fell sharply in the second-half of this week, mostly because noted short-seller Citron Research called Luminar a “suckers game” in a tweet, while slapping a \$20 price target on Luminar stock (shares trade above \$30 today).

Citron goes on to say that investors should instead place their bets on Velodyne (VLDR), Luminar's main LiDAR competitor.

Pay no attention to this.

All of our connections in the self-driving space have said – time and time again – that Luminar is the most innovative and exciting LiDAR company in the market, while Velodyne is an incumbent giant that has fallen asleep at the wheel.

Our in-depth research into the underlying LiDAR technology of both companies corroborates this, as do big recent contract wins with Intel and Daimler.

The writing is on the wall here.

The LiDAR market is one day going to be enormous as self-driving cars become a reality, and Luminar is going to emerge as the number one player in that market.

That's the sort of long-term innovative growth trajectory which constitutes Luminar stock as a long-term winner.

Yes, Luminar stock sprinted into overvalued territory on hype. But all long-term winners do that every once in a while.

You know what else all long-term winners do?

They *score huge returns in a multi-year window*. Luminar stock will be no exception, so take advantage of recent weakness once the dust settles and technical support shows up.

Stitch Fix (SFIX) Soars on Blockbuster Earnings

Since our [July 15 issue](#) on fashion tech company Stitch Fix – in which we told you that this unique e-commerce company was on the verge of defining a new era of hyper-personalized, subscription-based apparel shopping – the stock has been on an absolute tear.

So far, Stitch Fix stock has *soared as much as 124%*.

A big chunk of those gains came in the past week, after Stitch Fix reported blockbuster third quarter earnings in which the company added a record number of new clients, converted those clients into paying customers at a record rate, and called for a dramatic acceleration in revenue growth over the next 12 months.

In other words, the Stitch Fix hyper-personalized shopping model is starting to gain significant traction.

From here, it will only get bigger... and *bigger*... and *bigger*.

That's because online shopping is the future, subscription business models are the future, and data-driven personalized consumer experiences are the future.

Stitch Fix sits at the overlap of all three – and is leveraging all three to make shopping faster, more convenient, better, smarter, more consistent, and easier.

Even after its post-earnings surge, Stitch Fix is still worth just \$6 billion today – yet is fundamentally disrupting the \$2 trillion global apparel market.

Clearly, *there remains plenty of upside potential left in this hypergrowth stock.*

8×8 (EGHT) Rides High with New CEO Announcement

In one of our very first issues back on [May 28](#), we told you that Covid-19 would act as an impetus for enormous gains in cloud communications stock 8×8.

Since then, 8×8 stock has *soared as much as 97%*, with most of those gains coming this past week on news that 8×8 is bringing in a new CEO.

Specifically, 8×8 announced on Thursday that it would be tapping former RingCentral executive Dave Sipes as its new CEO. 8×8 stock popped more than 30% in response.

This huge move is not overdone.

8×8 is a cloud communications company, like Slack, Zoom, RingCentral, etc.

But 8×8 is worth just \$3 billion. All those other companies are worth more than \$20 billion.

Why the discrepancy?

Mismanagement. Quite simply, 8×8 has been mismanaged and largely botched its Covid-19 opportunity.

With new management at the helm – and exceptionally adequate management, at that, from an executive at a competitor worth \$30 billion – 8×8 is finally ready to the right ship, and soar alongside its cloud communications peers.

Thus, the future has never looked brighter for 8×8.

Bloom Energy (BE) Falls on Scathing WSJ Report

Just two weeks ago – in our [November 24 issue](#) – we told you about Bloom Energy, the disruptive fuel cell maker whose independent energy “boxes” could turn into the focal point of a multi-trillion-dollar Distributed Energy Revolution.

Since then, Bloom Energy stock has *soared as much as 36%* in just two weeks.

But, a big chunk of those gains were wiped out this week after the *Wall Street Journal* wrote a scathing report on Bloom Energy which broadly detailed how this once promising Silicon Valley startup has failed to live up to the hype, mostly because its energy boxes are too dirty and too expensive.

But that article focuses on what *has* happened, not what *will* happen... and make no mistake, what will happen is a lot prettier than what has happened.

Traditionally expensive Bloom Servers will soon be cheaper than grid power, thanks to technological advancements and increased scale, with Bloom Server operating costs projected to fall below grid power prices by 2022/23.

Meanwhile, traditionally dirty Bloom Servers are now built to run on green hydrogen, utilizing electrolyzers to convert excess solar and wind energy into hydrogen power.

Thanks to these two big breakthroughs, the future is much brighter than the past for Bloom – and *Bloom stock looks like a long-term winner with multi-bagger upside potential.*

In case you missed any of this week's issues, we talked about...

- [Aeva](#) (IPV), a brand new self-driving stock pioneering a new type of LiDAR sensors built on “4D” Frequency Modulated Wave (or FMCW) techniques.
- [Whole Earth Brands](#) (FREE), a small healthy food conglomerate that has a unique opportunity to disrupt the \$7.2 billion and growing global sweetener market.
- [LiveRamp](#) (RAMP), an innovative ad tech company that is turning the advertising industry's “Cookie Crisis” into a breakthrough business opportunity.
- [Arlo Technologies](#) (ARLO), a market-leading at-home security camera manufacturer that is pulling off a compelling business transformation at the perfect time.
- [SolarEdge](#) (SEDG), a power optimizer maker that is turning into the mission-critical technological foundation of the booming solar market.
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Fly to the Moon & Beyond with this Exciting New Space Stock

By Luke Lango December 14, 2020

Ladies and gentlemen... we are finally ready to conquer the final frontier.

I'm talking, of course, about space.

Arguably one of the biggest moments in human history was when – on July 20, 1969 – Neil Armstrong became the first man to step foot on the moon.

It was a day the Earth stood still.

But, since then, public and financial interest in space has died down, as human progress in conquering and commercializing the final frontier has been ultimately limited by technological shortcomings.

Until now...

In 2020, multiple technological breakthroughs have converged to *breathe life back into the space sector*, headlined by companies like SpaceX and Virgin Galactic conducting multiple successful test flights and inching ever closer towards making space tourism and travel a reality.

This is just the beginning.

Over the next 10 to 20 years, continued rapid technological advancements will give birth to a brand-new Space Economy, spanning everything from space travel and tourism, to space mining, to space colonization, to space-sourced renewable energy generation... so on and so forth.

According to Adam Jonas – the Managing Director of Equity Research at Morgan Stanley, and the man who presciently called the electric vehicle revolution back in 2011 – the booming Space Economy will grow by almost *400%* to \$1.7 TRILLION by 2040.

Needless to say, then, the emergence of the multi-trillion-dollar Space Economy represents one of the most exciting and compelling investment opportunities over the next decade.

In today's edition of *The Daily 10X*, we will detail a promising way to invest in the ground-floor of the booming Space Economy, by buying a freshly public space infrastructure stock that has enormous long-term upside potential.

The Market's First Space Infrastructure Stock with 20X Upside Potential

You've probably heard of Elon Musk's SpaceX before.

Alongside Virgin Galactic, SpaceX is at the epicenter of the Space Economy today, building big rockets which they plan to use to launch people and satellites into space over the next several years. The company is essentially creating the building blocks of the Space Economy.

After all, you cannot commercialize space unless you first *put things in space*. SpaceX is building the technology to do just that.

But they aren't doing so alone...

One innovative company helping them is Momentus – an exciting new space infrastructure company that is set to go public via a merger with the SPAC Stable Road Acquisition Corp. (SRAC).

At its core, Momentus builds what are called “transfer vehicles.” These transfer vehicles are a mission-critical component of SpaceX rockets.

To understand why, we have to first understand the space launch process, which – in its simplest form – is as follows:

1. SpaceX builds a huge rocket.
2. Private companies bid to put their satellites on that rocket.
3. The rocket launches into space into a certain general orbital (like the Low Earth Orbit, or Geostationary Orbit).
4. A transfer vehicle detaches from the general rocket, and helps guide each individual satellite into its specific orbit.

In other words, the rockets that SpaceX is building help satellites get from Earth to Space, while the transfer vehicles that Momentus is building help satellites get from Space to their specific orbital, or their final destination.

Momentum technology helps complete the satellite space journey.

Perhaps more importantly, SpaceX – the leading space rocket company in the world – didn’t choose Momentus for no good reason.

No, they are partnering with Momentus because this is the leading space infrastructure company in the world.

Specifically, Momentus’ transfer vehicles are built on the back of a patented and proprietary water plasma propulsion technology platform that is the cheapest and most efficient mechanism for maneuvering in space.

This innovative propulsion platform is *highly scalable* (engine efficiency increases with size), *throttleable* (you can vary thrust to optimize trip time), *safe* (it’s based on water, which is as low-risk as it gets), and *cost-effective* (it’s built on a simple design that uses low-cost, off-the-shelf components).

The result?

Momentum’s transfer vehicles are substantially cheaper than anything on the market. They can help send small satellites into their final orbit at just *\$15,000 per kilogram*, versus over \$50,000 per kilogram for other propulsion systems.

As the market-leading space infrastructure company in the world, Momentus is much more than just SpaceX's partner.

It's a company that could very realistically emerge as a foundational technology platform for the entire Space Economy – the “picks-and-shovels” of space exploration, if you will.

From that perspective, the long-term potential upside in Momentus stock is enormous.

Indeed, management is targeting \$4 billion in revenues and \$2.5 billion in EBITDA by 2027 – which easily creates a pathway towards \$2+ billion in net profits by sometime this decade.

A simple 20X multiple on that implies a potential future valuation of \$40 BILLION.

Momentus' market cap today is below \$2.5 billion.

So... if you're looking for added exposure to the emerging Space Economy... you should consider taking a position in potentially explosive Momentus stock today.

Key Company Details

Company Name	Stable Road Acquisition Corp.
Ticker Symbol	SRAC
Share Price	\$16.50
Current Market Value	\$365 Million
Annual Revenue	N/A
Catalyst	Space Economy Megatrend

**This Hypergrowth Fashion Tech Company
is Ready to Turn into the Next Farfetch**

By Luke Lango December 15, 2020

A few months back, we told you about an under-the-radar luxury fashion e-commerce platform by the name of [Farfetch](#) (FTCH), and claimed that the company was the emerging “Amazon of Luxury Fashion.”

The bull thesis was pretty simple.

Covid-19 has provided an impetus for the retail market to accelerate its digital transformation, and fully leapfrog into the modern e-commerce era.

Of course, this acceleration has been and will continue to be much more pronounced for the segments of retail that were *not* digitized before the pandemic, because these retail categories are quite literally being forced to go from 0 to 100 almost overnight.

Think home goods... autos... even home-buying... the mass and rapid digitization of these formerly physical-first shopping categories represents an enormous opportunity for investors.

One of the more attractive opportunities in this megatrend is the digitization of the luxury fashion market.

It's huge (\$332 billion in 2019). It's supported by secular demand drivers (~5% average growth in sales over the past several years). And it's *exceptionally underpenetrated when it comes to e-commerce* (just 12% e-retail penetration in 2019).

Thus, over the next 10 years, we are going to see a multi-hundred-billion-dollar shift in luxury fashion from selling in-store, to selling online.

To play this shift, we told you about Farfetch, a company that we felt was turning into a mini-Amazon.

Since then, Farfetch stock has *soared nearly 250%*.

But Farfetch won't be the only big winner as a result of this multi-hundred-billion-dollar shift in luxury fashion...

In today's edition of *The Daily 10X*, we will tell you about another way to play the luxury fashion e-retail megatrend. It's by buying a lesser known, smaller e-commerce platform that is emerging as Farfetch's twin in the huge used luxury fashion market.

A Disruptive Force in Used Luxury Fashion on the Cusp of an Enormous Turnaround

Farfetch is an e-commerce platform used mostly for the sale of new luxury fashion products. If you want to buy a new Gucci purse or pair of Prada sunglasses, you're going to go to Farfetch.com, hence the "Amazon of Luxury Fashion" title.

But what if you want to buy a used luxury fashion product?

Much like the auto market, the luxury fashion market has a *huge* used and resale segment that measures nearly \$200 billion in the U.S. alone.

Why so big? Because luxury fashion products are expensive. Arguably too expensive. And therefore, there is ample demand to buy discounted, pre-owned luxury fashion items.

For all those items, shoppers don't go to Farfetch...

They go to The RealReal (REAL).

The RealReal is basically the Farfetch of used luxury fashion. The company operates an e-commerce platform which sells used Gucci purses, Prada sunglasses, and the like, by connecting people looking to sell their pre-owned luxury fashion items with people wanting to buy those items. The RealReal makes money by taking a commission on each sale that happens through its platform.

It's a genius business model.

Lots of folks own still-very-valuable luxury fashion products that they don't intend to use again. At the same time, lots of folks love luxury fashion products, but don't want to pay thousands of dollars for a purse. By connecting those two sizable parties through a seamless, always-on, and hyper-convenient digital marketplace, The RealReal is providing tremendous value to a ton of people in the luxury fashion world.

From that basis alone, *The RealReal projects as a long-term winner.*

Indeed, for many years, The RealReal was on a hypergrowth trajectory that screamed "long-term winner." Revenues at the company rose 55% in 2018, and by another 49% in 2019.

But... as is the case with several hypergrowth companies... The RealReal has hit some growing pains.

Specifically, in late 2019, CNBC ran a scathing report on The RealReal which uncovered that the platform – which, as its name implies, strongly prides itself on

authenticating luxury fashion products to ensure they are real – was failing to live up to its “100% real” promise, and actually selling quite a few fakes.

Then, in early 2020, the Covid-19 pandemic struck. Consumer spending dried up. Luxury fashion spending dried up. The RealReal’s growth rates plunged.

Net net, here we are in 2020, and after two years of ~50% revenue growth, The RealReal will be lucky to post even 2% revenue growth this year.

But it increasingly appears that in 2021, *the company will move on from these growing pains.*

On the authenticating front, The RealReal has spent a lot of time and money automating multiple business processes in 2020 – like copywriting and photo-editing – thereby freeing up more time for authentication. The idea is that with more time dedicated to authenticating items, the less mistakes there will be, and the closer the company will inch towards its “100% real” promise.

Meanwhile, on the Covid-19 front, highly effective vaccines are already starting to be distributed across the globe. By early-to-mid 2021, those vaccines will be widely accessible to the general populous – and at that point, you should see economic activity and consumer spending take a big leap back towards “normal.”

Zooming out... with The RealReal, you have a long-term winner that hit a rough patch in 2020, but is ready to bounce back in 2021.

This bounce back *will not be small.*

The RealReal’s market cap is just \$1.4 billion. Farfetch – its closest analog – has a near \$20 billion market cap. The addressable market for used luxury fashion in the U.S. alone measures about \$200 billion.

Clearly, there’s enormous upside in this stock.

Indeed, there’s enough upside in RealReal stock that you may want to consider taking a position in this explosive turnaround story today.

Key Company Details

Company Name	The RealReal, Inc.
Ticker Symbol	REAL
Share Price	\$15.69

Current Market Value	\$1.4 Billion
Annual Revenue	\$307 Million
Catalyst	Luxury Fashion E-Retail Megatrend

This Hypergrowth Tech Company is Turning into the Google of Marijuana

By Luke Lango December 16, 2020

I'm a huge believer in being honest.

And, to be honest with you, cannabis stocks have – despite the hype – been an *utter disappointment* for years.

Since October 2018, Canada has largely botched its “nationwide legal weed” experiment. Most sales have remained in the black market. Meanwhile, U.S. cannabis legalization efforts were put on hold throughout most of 2019 and 2020.

Pot stocks – which soared into the Canadian legalization catalyst in late 2018 – have since plunged, with the ETFMG Alternative Harvest ETF (MJ) falling as much as 80% from late 2018 to early 2020.

But the tide is finally starting to turn for this “disappointing” industry...

In 2020, Canada has significantly eased cannabis market restrictions, dropped legal pot prices, and introduced new derivative products into the market – the sum of which is finally pulling demand from the black market into the legal channel.

For the first time ever, *legal pot spending in Canada topped black market spending* in the second quarter of 2020.

At the same time, U.S. legalization efforts are starting to gain serious momentum. During Election 2020, five states had cannabis legalization on the ballot. *All five*

passed it, including some traditionally conservative states like Montana and Arizona. Not to mention, the House of Representatives just approved legislation to federally decriminalize marijuana.

If you're keeping score, that means Canada's legal cannabis market is on the cusp of finally coming into its own *and* the U.S. legal cannabis market is ready to come to life.

It doesn't take a rocket scientist to connect those dots.

The global stage is set for the long overdue "Pot Stock Boom" to finally arrive - and for this disappointing industry to shift into a new, never-before-seen *hypergrowth gear*.

In today's edition of *The Daily 10X*, we will show you how to play this big breakout in the cannabis market, by buying a freshly public technology company that is turning into the "Google of Marijuana."

Providing the Necessary Technology Infrastructure to Organize & Streamline the Legal Cannabis Market

The cannabis market is *messy*.

Regulation is inconsistent. Dispensaries are few and far between. Brands are almost non-existent. Inventory is hit-or-miss. Product quality is all over the place. Pricing isn't standardized.

It's a lot like the internet back in the late 1990s.

You have a handful of dispensaries (dot com websites) and a bunch of prospective buyers (internet users), but no organized, streamlined infrastructure to connect the two in a consistent, standardized way.

Insert Google.

Google started out in 1998 as an online listings marketplace which provided an organized, streamlined infrastructure to connect users to websites, and has since morphed into the information backbone of the internet.

Twenty years later, a small company by the name of WM Holdings is trying to do the same in the cannabis market.

Founded in 2008, WM Holdings - which is set to go public through a merger with special purpose acquisition company Silver Spike Acquisition Corp. (SSPK) - operates Weedmaps, which is basically the Google of Marijuana.

Weedmaps is the world's leading online listings marketplace for cannabis. It is a website which consumers use to discover and locate cannabis dispensaries, peruse product inventory and store information for those dispensaries, and even buy product from those dispensaries through delivery/pick-up orders.

So, more accurately, Weedmaps is the Google-meets-Amazon of marijuana. The novel platform connects prospective cannabis buyers, to cannabis sellers, in a streamlined, organized way, and even allows them to directly buy pot.

That's a *powerful value prop*, because – as stated earlier – the cannabis market needs a Google-like platform to provide the necessary technology infrastructure to consolidate, organize, and streamline the discovery, buying, and selling processes.

Without it, the market will forever remain messy and inefficient. Consumers will forever have no idea how to buy weed. Retailers will forever have no idea how to boost distribution.

To that end, Weedmaps is a two-sided cannabis marketplace that provides enormous benefits to both sides. Buyers get all the information and access they need. Sellers get all the distribution and exposure they need.

Make no mistake. This company is the real deal.

When I asked folks in the cannabis world if they've ever used Weedmaps, some of the responses I got were: "*Yeah, it's pretty much the standard,*" "*It's a very reliable resource,*" and "*May as well ask me if I've used Google.*"

It's not just the people I talked to...

Most habitual cannabis users use Weedmaps as a Google-type listings marketplace for cannabis. After all, the platform has over 10 million monthly active users.

Because of this huge user base, most dispensaries list on Weedmaps and use it as a critical sales/discovery funnel. Weedmaps has over 18,000 listings across every state in which cannabis is legal.

And so... the stage is set for marketplace effects to sustain Weedmaps' market leadership... wherein its unmatched listings database attracts more buyers, which attracts more listings, which in-turn attracts more buyers... so on and so forth.

Even further, Weedmaps is only *half* of WM Holdings' business. The other half is a back-end Software-as-a-Service platform dubbed WM Business that provides e-commerce selling tools to cannabis retailers – it's basically Shopify designed specifically for cannabis shops.

In other words, WM Holdings is one-part future Google of Marijuana, and one-part future Shopify of Marijuana.

Yet WM Holdings is worth just \$2.3 billion today...

That's a steal for a company with this much disruptive long-term potential. Indeed, I see a pathway for WM Holdings to turn into a \$20+ BILLION company one day.

So... if you're looking for new, exciting, and explosive ways to play the cannabis market breakout... you should consider taking a position in WM Holdings stock today.

Key Company Details

Company Name	Silver Spike Acquisition Corp.
Ticker Symbol	SSPK
Share Price	\$13.02
Current Market Value	\$395 Million
Annual Revenue	N/A
Catalyst	Pot Stock Boom

Following in The Trade Desk's Footsteps, This Small Data-Driven Ad Stock is Set to Soar 20X

By Luke Lango December 17, 2020

The power of data is unlocking infinite possibilities in our world.

One of the most promising possibilities is in advertising, where businesses are leveraging data and artificial intelligence to automate, accelerate, and optimize ad campaigns.

Ever notice how you search for running shorts on Google, and then the next time you open Facebook, your feed is full of ads for running shorts?

That's *data-driven advertising at work* – marketers and publishers alike are using data analytics and AI technology to put the right ads, in front of the right people, at the right time.

Make no mistake. Data-driven advertising produces optimal results. For the consumer (*they get relevant ads*). For the brand (*their product gets in front of likely buyers*). And for the publisher (*they boost the value of their ad inventory*).

Data-driven advertising, consequently, is the future of advertising.

That's why, according to Zenith, global data-driven ad spend has increased by 3,125% since 2012 – a jaw-dropping rise which has sparked huge gains in data-driven advertising stocks like The Trade Desk (TTD), which has *surged almost 5,000%* since its 2016 IPO.

But the data-driven advertising megatrend won't stop until it has taken over all of advertising... and at \$126.5 billion in 2020, data-driven ad spending accounts for just ~20% of total ad spending today.

The implication?

The data-driven ad megatrend will remain in hypergrowth mode for a lot longer... and more colossal winners like The Trade Desk stock will emerge.

In today's edition of *The Daily 10X*, we will tell you about a small data-driven ad tech stock that is in the midst of an explosive turnaround. This turnaround, if successful, could ultimately end with the company turning into the next Trade Desk and the stock soaring 20X.

The Best Turnaround Story in the Booming Data-Driven Advertising Market

For a better part of the past decade, a French ad tech company by the name of Criteo (CRO) was at the forefront of the data-driven advertising revolution.

The company created a proprietary and robust "*Shopper Graph*" – which essentially comprised a web of publisher and marketer data on hundreds of millions of online shoppers, their online behavior, and their buying intentions – to which it applied market-leading AI tools to programmatically optimize digital ad campaigns.

Criteo catered this novel programmatic ad engine to the online retail world. For a time, Criteo's platform was a must-have ad tech product for anyone who wanted to sell or advertise any product online.

From 2012 to 2017, Criteo's revenues rose by more than *45% per year*.

Then the Cookie Crisis hit...

Longtime readers know about the Cookie Crisis. The traditional way publishers and marketers have collected consumer data – through third-party “cookies” – is being phased out of the industry due to data privacy and control concerns.

Without this consumer data, data-driven advertising does not work. Without this consumer data, Criteo's Shopper Graph loses relevance, and its whole business model loses value.

This existential threat has caused Criteo's growth trajectory to fall flat on its face. What was once a near 50% annualized revenue growth company, is now on track for back-to-back years of falling revenues.

But... as longtime readers also know... the data-driven advertising industry is finding ways to fix the Cookie Crisis.

For example, ad tech companies like [LiveRamp](#) (RAMP) – which we told you about last week – and The Trade Desk are coming up with opt-in, 100% transparent and secure ways to gather and track online consumer data in a post-cookie world.

Criteo is working intimately with these companies to not just secure access to this data, but also play a pivotal role in constructing the data. The company has specifically partnered with both The Trade Desk and LiveRamp to help build-out this new open-source, unified online ID database.

Construction of this database will make the Cookie Crisis *obsolete*.

With the Cookie Crisis obsolete, Criteo's Shopper Graph will regain robust relevance – and its AI-powered ad tech tools will regain value.

Customer growth will rebound. Average spend per customer will rise.

Criteo will jump back into hypergrowth mode.

That has *huge* implications for Criteo stock.

Because of Cookie Crisis headwinds, Wall Street analysts see the company's revenues essentially going nowhere over the next few years. Criteo stock is valued accordingly, sporting a measly \$1.2 billion valuation on almost \$200 million in adjusted profits last year.

But... if Criteo fixes its Cookie Crisis... the company will easily sustain double-digit revenue growth over the next few years... and that \$200 million in adjusted profits last year will keep rising, ultimately making the company's \$1.2 billion valuation look like an *absolute steal*.

Indeed, my modeling says that under realistic growth assumptions, Criteo could net about \$1 billion in net profits by the end of the decade – on which a 20X multiple implies a potential future valuation here of \$20 BILLION.

That represents 20X upside in this stock over the next decade... which is easily enough upside to land Criteo stock on your buy radar today.

Key Company Details

Company Name	Criteo S.A.
Ticker Symbol	CRTO
Share Price	\$18.94
Current Market Value	\$1.2 Billion
Annual Revenue	\$2.1 Billion
Catalyst	Data-Driven Advertising Revolution

By Filling “The Gap” in the EV Revolution, This Small Stock Could Explode Higher

By Luke Lango December 18, 2020

The world's passenger and commercial fleets are being electrified.

That much is certain. Thanks to falling costs, shifting laws, and improving technology, electric cars, busses, vans, and trucks will increasingly become the global norm.

But ubiquity for electric vehicles is a *long* way off...

Most cars on the road today (about 97%) are powered by fossil fuels. By extension, nearly all of the automotive manufacturing capacity in the world is wired to create gas and diesel vehicles.

Producing enough EVs to displace the tens of millions of gas and diesel cars, busses, vans, and trucks on the road today will require a "re-jigging" of the world's automotive manufacturing network – something that will inevitably take years, even decades, to fully complete.

But we need to reduce carbon emissions *now*.

And so "The Gap" emerges in the EV Revolution.

Today, there exists a big gap in the automotive market between robust demand for cleaner energy vehicles, and limited supply to meet that demand.

Someone has to fill that gap.

In today's edition of *The Daily 10X*, we will tell you about a unique fleet electrification company that is optimally positioned to fill this gap. In so doing, this small company will prove instrumental in the fight against climate change while also scoring early investors enormous long-term returns.

Pioneering a Plug-and-Play Solution to Cheapen & Accelerate Auto Decarbonization

The aforementioned EV Revolution Gap exists for one big reason – making electric cars is fundamentally different than making diesel and gas cars.

So, if an auto maker like Ford or General Motors wants to make a new fleet of EVs, they can't just tweak their existing manufacturing plants. They have to make some drastic changes, the sum of which will require a lot of time and money.

But... *what if no drastic changes were needed?* What if Ford and General Motors could simply make one small tweak to their manufacturing plants, and... voilà, produce eco-friendly vehicles?

Surely, that would fix the EV Revolution Gap, no?

It would – and that’s why one small and unique fleet electrification company by the name of XL Fleet should be on your buy radar today.

XL Fleet – which is set to go public through a merger with special purpose acquisition company Pivotal Investment Corporation II (PIC) – has created a proprietary line of eco-friendly powertrains designed for medium-duty commercial vehicles that are simply plug-and-play solutions for auto makers to decarbonize their fleets.

The idea is simple.

Let’s say Ford wants to make an eco-friendly version of its Transit Van. The company could create an entirely new manufacturing plant for the new van, which would take several quarters and millions of dollars.

Or... Ford could keep its old plant, and simply swap in an XL powertrain to improve the fuel efficiency and carbon emissions profile of the van. Very little extra cost. Very little assembly line adjustment. And almost no added time.

In other words, XL Fleet has created a series of powertrain solutions which can be used immediately by fleet operators to reduce carbon emissions.

That’s why XL Fleet has amassed an unrivaled blue-chip customer base over the past few years, the likes of which includes FedEx, Coca-Cola, PepsiCo, and Verizon. These major corporations see XL powertrains as an optimal way to cheapen and accelerate their path towards being carbon neutral.

To be sure, XL Fleet powertrains are not fully electric. They are hybrid. That’s why they work as a plug-and-play solution in current auto manufacturing plants.

But *hybrid is better than nothing* – and given that EV production capacity is still decades away from being fully capable for supplying the entire auto market, XL Fleet’s hybrid powertrains are a huge step in the right direction.

Indeed, they will fill “The Gap.”

Over the next several years, EV startups like Workhorse (WKHS) and Arrival (CIIC) are going to sell lots and lots of electric vans and busses to fleet operators. But they won’t have enough capacity to fully electrify all fleets, everywhere.

For all those vans, busses, and trucks that don’t get electrified, fleet operators will turn to XL powertrains to meet emission reduction targets.

This is not a small market...

According to Bloomberg NEF – one of the most qualified clean energy research firms in the world that always seems to spot-on about the EV revolution – less than 10% of medium-duty commercial vehicle sales in 2030 will be electric.

That means *90% won't be electric*... equating to over 1.5 million medium-duty trucks... the vast majority of whom will be looking for alternative decarbonization routes.

The fastest option? The most cost-effective option? The most proven option? The best option?

XL powertrains.

Even if XL Fleet nabs just 10% of this market, that implies over 150,000 powertrain deliveries in 2030, which my numbers say could flow into nearly \$4 billion in revenues and \$550 million in net profits.

A 20X multiple on that implies a potential future valuation of \$11 billion.

And that doesn't include any penetration into the heavy-duty market, for which XL Fleet is designing a new eco-friendly powertrain platform that is expected to launch soon.

Nor does it include XL Fleet's fully electric powertrain concept, which is also expected to come to market soon.

Both of those new products represent significant addressable market expansions – and could end up being game changers in their own right.

Once you factor those new products into the mix, it's easy to see that XL Fleet could one day be a *\$20+ BILLION* company.

The market cap today? A hair above \$2 billion.

Needless to say, by filling “The Gap” in the EV Revolution, XL Fleet stock could turn into your next big winner.

Key Company Details

Company Name	Pivotal Investment Corporation II
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Ticker Symbol	PIC
Share Price	\$16.19
Current Market Value	\$447 Million
Annual Revenue	N/A
Catalyst	Electric Vehicle (EV) Revolution

Weekly Update: It's All About Supply & Demand

By Luke Lango December 19, 2020

Let's talk money.

Specifically, let's talk *money supply*.

Money supply is a macroeconomic term which broadly encompasses the total value of money circulating in an economy at any given point in time.

There are many ways to measure money supply. You can measure the value of all cash and checking deposits in an economy (commonly denoted as "M1").

You can measure all of that, plus "near money," or savings deposits, money market securities, mutual funds, etc. (commonly denoted as "M2").

You can take it even a step further, and add in large time deposits, institutional money market funds, short-term repurchase agreements, etc. (commonly denoted as “M3”).

You get the point. As the pool of measurable money increases, the number following the “M” goes up.

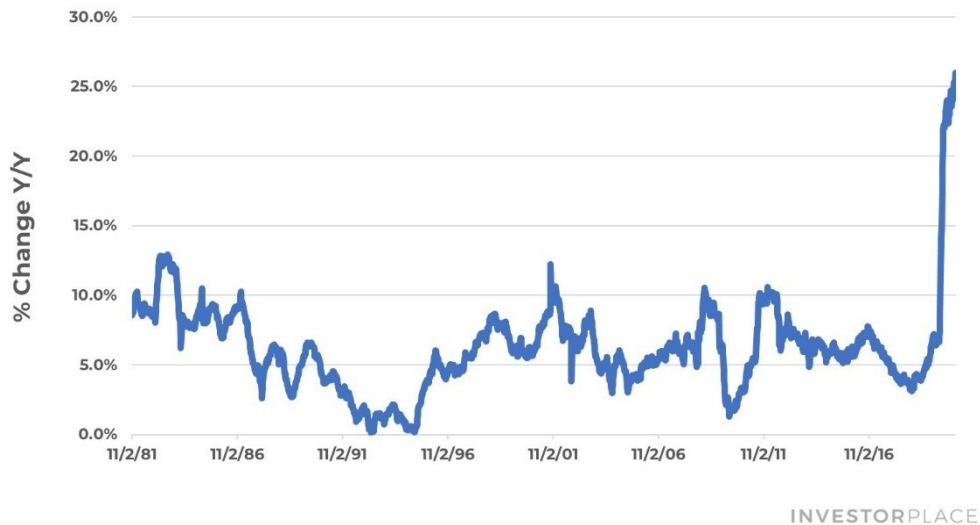
The most commonly followed measure of money supply is M2. This is the one the U.S. Federal Reserve, investors, and banks all follow most closely, because it’s a measure of all the near and actionable money in an economy.

M2 goes up when the Fed and the government are pouring money into the economy. M2 goes down when both are tightening monetary policy.

Obviously, then, the M2 money supply in America has *soared* in 2020 as both the Fed and U.S. government have injected an unprecedented volume of stimulus into the economy to weather the economic impacts of Covid-19.

Since May 2020, the year-over-year growth rate in M2 money supply has exceeded 20%, every single week. Since 1980, that number has averaged just 6%... and it never peaked above 15% until this year... so what we are seeing right now is a truly unprecedented surge in America’s money supply.

U.S. M2 Money Supply



Now... *why does all this matter?*

The surge in M2 money supply in 2020 is a hugely bullish indicator for stocks going forward.

We can slice and dice stock valuations, fundamentals, and technicals all we want... but at the end of the day, only one thing truly drives stock prices: *supply and demand*.

If more people want to buy a stock than want to sell it, the stock goes up. If more people want to sell a stock than buy it, the stock goes down.

It all comes down to supply and demand.

The surge in M2 money supply to record levels in 2020 means there is record firepower out there to buy stocks.

Will that firepower turn into demand for stocks?

Almost undoubtedly, yes. Where else are people going to park their money? Bonds are barely beating inflation. Cash is trash. Gold and cryptos work, sure, but you can't put all your money there.

So... people are flocking to stocks.

In other words, the record surge in M2 money supply in 2020 has translated into record demand for stocks. Record demand plus relatively fixed supply has led to surging stock prices.

This dynamic will persist for the foreseeable future.

So long as it does, stocks will keep charging higher on the back of simple supply-demand fundamentals.

With that in mind, let's dive into this edition of *The Daily 10X* Weekly Update, and break down some *DTX* stocks that have staged big moves over the past few weeks.

MindMed (MMEDF) Soars into 10X Territory

Back in our [June 22 issue](#), we told you about the forthcoming Shroom Boom – the de-stigmatization and eventual legalization of psychedelics-inspired medicines for the treatment of mental disorders – and said to put a micro-cap stock by the name of MindMed on your buy radar.

Since then, MindMed stock has been absolutely on fire...

And this week, the stock crossed into rare air. It became our second 10X winner in just 6 months – with the first being, of course, Chinese premium EV maker NIO.

That's right. Since we highlighted it for you back in June, MindMed stock has *soared as much as 1,234%*.

Behind this surge is a confluence of favorable legal developments (Oregon legalized psychedelic mushrooms), increased exposure (peer psychedelics pioneer COMPASS Pathways just had a big IPO), and favorable clinical data (prelim data released in December showed MindMed's addiction treatment therapy to be safe and well tolerated, with no serious adverse events reported).

While the stock is almost undoubtedly overbought here, it is not overvalued.

Psychedelic-inspired medicines are the next big thing the medical world. This is a \$20+ billion space in the making. MindMed is cementing itself as an early leader with market-leading treatments in this \$20+ billion category.

And yet... MindMed features a market cap of just \$1 billion today.

Long-term upside potential remains compelling – but waiting for a big dip before doubling down also seems like the smart and risk-averse move.

Virgin Galactic (SPCE) Sinks on Test Flight “Dud”

Space tourism is coming soon to a spaceport near you. Because of that, we highlighted Virgin Galactic in our [June 30 issue](#) as an explosive way to play the space megatrend.

Since then, Virgin Galactic stock has been red-hot, *soaring as much as 133%*.

But Virgin Galactic stock plummeted this past week after the company's test flight last weekend didn't go as planned.

After the company's SpaceShipTwo 'Unity' vehicle was released from its mothership, the onboard computer that monitors the rocket motor lost connection. This triggered a

fail-safe scenario that intentionally halted the ignition of the rocket motor, and the space ship returned to Earth.

Wall Street saw this as major “uh-oh” and sold Virgin Galactic stock.

But I actually think this is a step in the right direction for Virgin Galactic.

That’s because the trigger for the fail-safe scenario is an easily identifiable and fixable “coding” error, so there’s nothing structurally wrong here. Meanwhile, Virgin Galactic flawlessly executed in the fail-safe scenario, safely returning the pilots and spaceship to Earth without any injury or damage.

To that extent, Virgin Galactic didn’t really delay its commercial operations all that long, and actually won some points in the all-important “safety” column as a result of this flight.

That’s why I think this recent dip in Virgin Galactic stock is little more than a golden opportunity to buy the dip in what still projects as a long-term winner.

Luckin Coffee (LKNCY) Flies High on SEC Settlement

We highlighted disgraced Chinese coffee chain Luckin Coffee in our [July 27 issue](#) as one of the market’s best turnaround stories with enormous upside potential over the next few years.

Since then, the Luckin Coffee stock rebound has not disappointed, with shares *surging as much as 325%*.

A huge chunk of those gains came this past week, when Luckin Coffee stock more than doubled on news that the company had reached a settlement with the SEC.

That's a major development for two reasons.

First, it confirms that Luckin Coffee will survive its fabricated sales scandal. The SEC's fine was a slap on the wrist. So was China's fine back in September.

In total, Luckin Coffee will have to pay *less than \$200 million* in penalty damages — an amount that leaves the coffee chain operator with over \$500 million in cash, nearly 30X its quarterly cash burn rate.

Second, it clears the skies for Luckin Coffee to get back to business as usual. The U.S. and China have both levied their fines. Restructuring has already happened. Delisting has already happened. All is done.

It's time to close the book on this scandal, and open a new book of Luckin Coffee turning into a truer, better version of its former self.

Thus, the stage is set for Luckin Coffee to put its accounting crisis in the rear-view mirror, take its still-loaded balance sheet, invest those resources back into the business, and *recharge its hypergrowth narrative*.

As the company's hypergrowth narrative is restored, Luckin stock will soar to \$20 – or higher.

Quantum Computing (QUBT) Breaks Out in a Big Way

In our [August 12 issue](#), we told you about a tiny, specialized quantum computing company by the name of Quantum Computing (of course) which we said was ready to soar as the once-niche quantum computing field goes mainstream.

Since then, Quantum Computing stock has chopped around... until this past week... when it took off like rocket ship. The

stock has now *soared as much as 262%* since we first highlighted it.

Why the big rally this past week?

Wall Street finally woke up.

Throughout 2020, the quantum computing field has been making some major advances. Amazon launched Braket, its own Quantum Computing as a Service (QCaaS) business. Google trumped its own quantum “super computer.” Intel launched a control chip purpose-built for full-stack quantum computing systems.

IBM. Honeywell. SpaceX. IonQ. They’ve all made big announcements with respect to quantum computing over the past 12 months.

So... in the background over the past year... the pieces have fallen into place to create a reliable foundation upon which the disruptive Quantum Computing revolution can come to life.

When it does, *it’ll change everything we know about modern computing.*

And all stocks related to this disruptive field will soar – including Quantum Computing stock.

So... while Quantum Computing stock is admittedly overbought here and now... it’s also worth taking a good hard look at it on the next dip, because this company has tremendous long-term upside potential.

In case you missed any of this week’s issues, we talked about...

- [Momentum](#) (SRAC), an exciting new space infrastructure company whose proprietary water plasma propulsion technology could turn into the go-to “fuel” of space.
- [The RealReal](#) (REAL), a small, unique e-commerce marketplace that has the potential to be the Amazon of the sizable second-hand luxury fashion industry.
- [WM Holdings](#) (SSPK), a hypergrowth technology company whose core Weedmaps platform is emerging as the “Google of Marijuana.”
- [Criteo](#) (CRO), a small and promising ad tech company that has stumbled recently but is ready to jump back into hypergrowth mode in 2021.
- [XL Fleet](#) (PIC), a differentiated fleet electrification company that has a compelling opportunity to fill in “The Gap” in the Electric Vehicle Revolution of the 2020s.
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This Micro-Cap Software Stock Could Soar as Much as 60X Thanks to the Rise of the Influencer Economy

By Luke Lango December 21, 2020

Believe it or not, analyzing up-and-coming technology stocks with disruptive long-term potential is only *part* of what I do.

As many of you know, I also like to dabble in creating some of those technology companies myself...

My latest venture? A consumer app, called [Fantastic](#), which leverages a hyper-personalized AI engine to match consumers to experiences in the fastest, most efficient way possible.

It's a cool project. And in just a few months after our public launch, we have garnered thousands of users.

But going from zero to thousands of users was an *uphill battle*...

At first, we tried what all new brands try: Targeted advertising. We poured money into Facebook, Pinterest, Instagram, and Twitter to try and get our app in front of the right people.

It didn't work.

So, we pivoted... to influencer marketing... wherein we identified influencers on social media platforms who matched our needs, and paid them to promote our app through content posts.

It worked wonders.

Influencers were able to give us the trusted, high-quality exposure we needed, that targeted ads simply weren't able to deliver.

And so... we came to a big conclusion: Influencer marketing is the future.

As it turns out, we aren't the only brand coming to that conclusion. Check these stats out:

- Almost 80% of brands have experimented with influencer marketing in 2020.
- Over 90% of them find it to be highly effective.
- Nearly 75% believe that the quality of customers they receive through influencer marketing campaigns is better than from other forms of marketing.
- About 70% expect to boost their influencer marketing spend. Only 4% expect to decrease influencer marketing spend.

Folks... the writing is on the wall.

Consumers are losing trust in brand ads. Instead, *they are placing their faith in people*. It's a seismic shift in consumer trust towards relatability, which will precipitate a seismic shift in ad budgets towards influencer marketing.

The investment implication?

It's time to invest in the first inning of the world-changing influencer marketing megatrend.

In today's edition of *The Daily 10X*, we will show you the most explosive way to play the rise of the Influencer Economy – and it's by buying a micro-cap software stock that we think could be our biggest winner yet and rise by as much as 60X.

The Future “Amazon of Influencers” Has Just Arrived & It’s a Total Game-Changer

I can tell you from first-hand experience that influencer marketing is great.

I can also tell you from first-hand experience that it is not without its challenges.

The biggest challenge? *Finding influencers.*

There are lots of influencers out there. They run the range of geographies, personalities, styles, and audiences. Finding the right match for your brand can be a headache – indeed, only 14% of brands say that it is “easy” to find influencers.

Other big challenges include payment fraud (most transactions are not legally binding – they’re just Venmo transfers, and as such, influencers sometimes just “walk away with the money”), fake followers (multiple influencers inflate their reach by creating fake accounts to follow their real account), brand safety (influencers often have creative control, and sometimes abuse that creative control), and ROI measurement (there is no standard system out there for measuring clicks and engagement rates).

Attempting to fix all of these major pain-points in the Influencer Economy is a small, \$50 million company by the name of IZEA Worldwide (IZEA).

IZEA got its start 14 years ago, when its founder started PayPerPost.com, the first influencer marketing platform that openly paid bloggers to create blog posts for brands.

Over the subsequent decade, IZEA acquired multiple related influencer marketing platforms, and tied them all together into one unified software hub – dubbed IZEAx – which became the “brain” behind many influencer marketing campaigns.

During that stretch, IZEA witnessed enormous growth. Between 2010 and 2017, IZEA’s revenues rose *more than 500%*.

Then competition arrived... and in an attempt to differentiate itself from all the new competition, IZEA added too many unnecessary components to IZEAx and ultimately eroded the platform’s core value prop.

IZEA’s growth narrative fell flat. Revenue growth turned negative. Net losses widened. The stock plunged.

But everything is going to turn a corner for this beaten-up company in 2021... and over the next few years, IZEA is going to grow at lightspeed.

Why?

Shake.

In early June, IZEA announced a new platform called Shake – which, for all intents and purposes, is basically just the *Amazon for influencers*.

It's a marketplace where influencers can list their "shakes" ("I have 30,000 followers on Instagram in the home décor market, and I'll promote your product for \$100 per post"), brands can browse through those shakes, and the two can connect and transact in a legal, safe, organized, and streamlined manner.

Shake is a genius concept that will turn into a *huge* platform in the 2020s.

That's because Shake solves all of the Influencer Economy's biggest challenges...

Discoverability? Now brands have a dedicated place to find and contact influencers across all social platforms, while influencers have a dedicated place to gain exposure to brands.

Payments? Handled in a legal contract through Shake. Fake followers? IZEA leverages an AI engine to calculate what percentage of each influencer's followers are fake. Brand safety? Brands control the campaigns through a central dashboard. ROI? Easily measured by standardized IZEA tools.

Shake is a panacea for influencer marketing.

Competition? Sure, they'll be some. But marketplaces benefit from marketplace effects, and Shake – as the first mover here with an already robust repository of influencers – will be able to lean into marketplace effects to turn into the unrivaled Amazon of Influencers.

Of course, if IZEA pulls this off, the potential upside in IZEA stock is *enormous*.

Global ad budgets are marching towards \$1 trillion. Influencer marketing presently grabs just 1.5% of that pie. But 80% of brands intend to up influencer spend to 10% of marketing budgets over time. At scale, that would imply \$100 billion in influencer ad spend.

Back in 2016, IZEA controlled over 1% of influencer marketing spend. With Shake, the company could easily sprint back to that 1% share – which, on a \$100 billion pie, implies \$1 billion in revenues.

Assuming fairly standard software operating margins of 20%, my numbers say that IZEA could march towards \$150 million in net profits. An industry-standard 20X multiple on that implies a long-term valuation target of \$3 BILLION – 60X higher than today's \$50 million market cap.

You'd be hard pressed to find 60X upside potential anywhere else in the market. On that basis alone, IZEA stock deserves your undivided attention today.

Key Company Details

Company Name	IZEA Worldwide, Inc.
Ticker Symbol	IZEA
Share Price	\$0.99
Current Market Value	\$48 Million
Annual Revenue	\$18 Million
Catalyst	Influencer Economy Megatrend

n Explosive Picks-and-Shovels Play for the Slept-On RNG Clean Fuel Megatrend

By Luke Lango December 22, 2020

Wall Street is obsessed with electric vehicle (EV) and hydrogen fuel cell (HFC) stocks right now.

Rightly so.

The multi-trillion-dollar auto market is on the cusp of being entirely uprooted by clean fuel technologies. By 2040, internal combustion engine cars will be extinct, completely replaced by clean fuel vehicles, such as electric and hydrogen cars.

But... for all their disruptive potential... electric batteries and hydrogen fuel cells have significant limiting factors, such as limited range for EVs and a lack of refueling infrastructure for HFCs.

That's where a third disruptive clean fuel technology comes into play: *renewable natural gas* (RNG).

RNG is an emerging alternative energy source that uses methane from animal, industrial, and food waste to create natural gas fuel. Yes, the combustion process still produces CO2 emissions. But because methane is far better at absorbing heat than CO2, RNG's ability to reduce methane emissions makes it net carbon-negative.

Of course, the big upside of RNG is economically-rooted.

Unlike electric batteries and HFCs, *RNG is compatible with existing natural gas infrastructure*, which measures thousands of refueling stations across America.

RNG prices are also much cheaper than other alt fuel prices. Current RNG prices hover around \$1 per diesel gallon equivalent, while hydrogen and electricity prices – though steadily falling – still sit staunchly north of \$5.

That's why – as longtime readers know – RNG is the only clean fuel technology in certain transportation segments that is both *immediately usable* and *exceptionally cost-effective*.

To be sure, though, RNG is not the sole future of clean transportation. It isn't truly zero-emissions, and in certain short-range markets – like passenger cars – electric batteries still make the most sense.

But RNG will factor into the clean energy revolution, for its cost advantages and decarbonizing potential, especially in certain end-markets where electric batteries and HFCs simply aren't cutting it in terms of costs or performance.

One such market? The \$800 billion global trucking market, where – because plug-in electricity solutions are not good enough and hydrogen solutions are too expensive – RNG is the best clean fuel solution.

We've already given you one way to play the enormous forthcoming RNG disruption of the long-haul trucking market... by buying shares of RNG truck maker [Hyllion](#) (HYLN).

But this multi-hundred-billion-dollar disruption will yield more than one winner.

In today's edition of *The Daily 10X*, we will tell you about another way to play the RNG revolution, by buying an RNG supplier that is quickly morphing into the best picks-and-shovels play on this disruptive megatrend.

Leading the Natural Gas Market into a “Cleaner” Future

Longtime readers know all about “picks-and-shovels” investments.

Back in 1849, during the California Gold Rush, thousands of prospectors rushed to the West Coast in search of gold. Few found any. Most ended up broke. But the suppliers who sold picks, shovels, and other essentials to the prospectors were hugely successful.

The implication? The best way to strike gold in a booming megatrend is to invest in the industry's suppliers – the picks-and-shovels sellers.

In the RNG world, the best pure picks-and-shovels play is a \$1.1 billion natural gas provider by the name of Clean Energy Fuels (CLNE).

Clean Energy Fuels has been in the natural gas production and distribution game for over two decades, a span in which the company has amassed an unparalleled network of over 550 natural gas stations, signed over 1,000 fleet customers, and grew to a point where it is now selling over 400 million gallons of natural gas per year.

In other words, when it comes to natural gas production and distribution, Clean Energy Fuels is a top dog.

That's the good news.

But the much, *much* better news is that Clean Energy Fuels is leveraging this market leadership position to drive the natural gas market into a cleaner future.

Specifically, in 2013, Clean Energy Fuels launched a new line of waste-sourced RNG called Redeem, and has been pouring all of its resources into expanding production and distribution of this new RNG fuel brand ever since.

The results speak for themselves.

Since 2013, Redeem's volumes have soared from 13 million gallons, to 143.3 million gallons – an eye-popping increase of *more than 1,000%*.

Along the way, Clean Energy Fuels has signed multiple huge contracts with some of the market's largest users of natural gas – including UPS, who signed the biggest RNG contract ever with Clean Energy Fuels and its Redeem fuel back in 2019.

Going forward, Clean Energy Fuels should be able to leverage these big contracts wins, Redeem's momentum, and the company's long-standing dominance in the legacy natural gas market to turn into the unrivaled supplier of RNG in America.

That's big, because the transportation market in the U.S. alone consumed 40.5 BILLION gallons of natural gas last year – and most estimates call for about 20% of this market to be sourced from RNG by 2030 (so about 8 billion gallons of RNG).

Clean Energy sold just 143.3 million gallons of Redeem in 2019. If Clean Energy controls just 20% of the RNG market in the U.S. by 2030, then that number could *grow by more than 1,000%* to 1.6 billion gallons over the next 10 years.

Alongside that 1,000% growth in Redeem sales, Clean Energy Fuels stock could similarly soar 1,000%.

As such, if you're bullish on RNG's role in the clean energy revolution, you may want to consider taking a position in Clean Energy Fuels stock today.

Key Company Details

Company Name	Clean Energy Fuels Corp.
Ticker Symbol	CLNE
Share Price	\$5.50
Current Market Value	\$1.1 Billion
Annual Revenue	\$336 Million
Catalyst	Clean Energy Revolution

An Undervalued LiDAR Company Bridging the “Self-Driving Gap”

By Luke Lango December 23, 2020

In June of this year, Amazon raised eyebrows when the e-commerce and cloud giant – who has never before ventured into the automotive market – acquired self-driving startup Zoox.

Less than six months later, we know *why* Amazon did it.

Just last week, Zoox unveiled a fully autonomous electric vehicle, with no steering wheel, that aims to be the “robo-taxi of the future.”

In so doing, Zoox told the world that Amazon is going all-in with the self-driving revolution.

They aren't alone.

Alphabet. Alibaba. Baidu. General Motors. Uber. Intel. All of these global technology giants have dedicated significant time, resources and money into self-driving efforts over the past few years.

Why?

Because self-driving cars – once the stuff of science fiction – are on the cusp of becoming a disruptive reality.

Make no mistake. It will be a disruption like no other. The entire multi-trillion-dollar auto market will be uprooted by self-driving technology. By 2030, nearly every car on the road will be at least semi-autonomous.

This unprecedented disruption will create unprecedented opportunities.

One of the larger opportunities is in the LiDAR space, which broadly involves companies making tiny lasers that auto OEMs can add on to cars to give them “vision.”

This LiDAR tech is almost non-existent in the auto market today. By the end of the decade, it will be ubiquitously deployed in every car, truck, and bus around the world.

Needless to say, LiDAR stocks are broadly due for huge gains in the 2020s.

In today's edition of *The Daily 10X*, we will tell you about one small LiDAR company that is uniquely positioned to bridge the gap between the semi-autonomous cars of today, and the fully self-driving cars of tomorrow – a gap which is of critical and growing importance to the self-driving revolution.

Making LiDAR Systems Cheaper & Smaller to be Used in Tomorrow's Partially Autonomous Cars

When it comes to self-driving, insiders tend to segment the market into five levels of autonomy, based on the amount of autonomous driving capability incorporated into the car. Those five levels are:

- L1: Driver Assistance. Single-automated systems (like speed-monitoring) with full driver control
- L2: Partial Automation. Steering and acceleration are autonomous, but human driver still monitors all tasks.
- L3: Conditional Automation. Most driving tasks are autonomous, but human override is still required.
- L4: High Automation. All tasks are autonomous under most circumstances, but human override is still an option.
- L5: Full Automation. All tasks are autonomous under all circumstances, with no human attention or interaction required.

Most cars on the road today already incorporate L1 autonomy. The goal, of course, is to sprint to L3+ autonomy in the future, since moving from L2 to L3 is considered the “inflection point” at which cars start driving without much human attention or interaction.

But crossing the threshold from L2 to L3+ will take *time* and *money*. *A long time*. And *a lot of money*. Which is why by 2025, over 70% of the self-driving cars on the road will be L2 vehicles.

The problem? Most LiDAR companies are building super advanced and very expensive LiDAR for L3+ autonomy. Those LiDAR are very good, but they fetch about \$1,000 per sensor – and for L2 cars, auto OEMs are only willing to pay about \$400 to \$500 per sensor.

So... in essence... there exists a huge gap in the self-driving market wherein today’s LiDAR sensors are 100% too expensive to power today’s partially autonomous cars.

Trying to fill this gap is a unique LiDAR maker by the name of Innoviz.

Innoviz is an Israeli-based LiDAR company that is going public through a merger with special purpose acquisition company Collective Growth Corporation (CGRO).

Being an Israeli company in a LiDAR industry awash with U.S. startups, Innoviz is unique in its roots. The company was founded by former members of the exclusive “Unit 81” – the most elite technology unit in the Israeli Defense Forces – and 25% of its R&D team are Unit 81 alumni.

But... what really sets Innoviz apart is its *unique solid-state technology* which could be the key to filling in the LiDAR market gap.

Specifically, Innoviz is leveraging what are called Micro-Electro-Mechanical Systems (MEMs) mirrors which essentially take all the moving parts of a traditional LiDAR system, and condense them into one unit (hence the “solid-state” name).

You see... LiDAR systems need mirrors to reflect the laser pulses they send out. The status quo in LiDAR today is to mechanically move those mirrors at a constant motion. But doing so requires a motor, which is often bulky and expensive.

Innoviz is throwing out that motor in favor tiny mirrors whose tilt angle varies when an electric stimulus is applied. These MEMs mirrors are much cheaper and smaller than motors.

Thus, by throwing out the motor, Innoviz is hoping to make a new generation of solid-state LiDAR systems that are *cheaper* and *smaller* than what is currently being offered in the market.

Indeed, they are doing just that.

Innoviz's LiDAR systems have a volume of 0.25 liters, versus 0.75 liters and up for other LiDAR. Concurrently, Innoviz's L2 LiDAR systems offer L3 LiDAR performance specs in terms of range and resolution... *at half the cost*.

In other words, Innoviz appears to hold the key to bridging the LiDAR gap.

The company has leveraged MEMs technology to create a new class of highly competent LiDAR that is economically viable in L2+ cars.

That's a big deal. It means that of all the LiDAR companies out there, *Innoviz may be best positioned for hypergrowth over the next few years*, because L2 cars are going to dominate the self-driving market for the foreseeable future.

That's why BMW – one of the leading auto OEMs when it comes to self-driving – is working with Innoviz.

It's also why Innoviz – with a market cap of just \$1.7 billion, versus \$5-plus billion for other, more hyped-up LiDAR companies – could be one of the best self-driving stocks to buy today.

Key Company Details

Company Name	Collective Growth Corporation
Ticker Symbol	CGRO
Share Price	\$12.00
Current Market Value	\$228 Million

Annual Revenue N/A

Catalyst Self-Driving Revolution

By Turning into the Data Backbone of Sports Betting, This Small Software Stock Could Soar More than 10X

By Luke Lango December 24, 2020

Editor's Note: U.S. markets close early at 1 p.m. ET today and are closed all day tomorrow, Dec. 25, for Christmas. Our Customer Service department is also closed today and tomorrow. We'll be back soon with your next issue on Monday morning.

On May 14, 2018, the Supreme Court of the United States overturned the Professional and Amateur Sports Protection Act ("PASPA").

It was a landmark ruling. Since 1992, PASPA had prevented U.S. states – aside from Nevada, Delaware, and Oregon – from engaging in the regulation and taxation of interstate gambling and sports betting.

The overruling of PASPA, therefore, opened up the floodgates for sports betting to become nationally legal.

And so... *the sports betting megatrend began.*

Since then, 18 states plus Washington D.C. have legalized sports betting. Another three states – Maryland, South Dakota, and Louisiana – voted to legalize sports betting just last month on Election Day.

These shifting laws are unlocking what is enormous pent-up consumer demand to bet on live sports.

Case-in-point: New Jersey. The Garden State's sportsbook generated a record-high \$931 million in wagers in November, up a whopping *54% year-over-year* – even amid the Covid-19 pandemic, which has disrupted every sport in the world.

Folks... the writing is on the wall here.

Consumers want to bet on sports. The laws are finally shifting and allowing them to do so. They will continue to shift for the foreseeable future until sports betting is legal everywhere. As this shift continues to play out, the sports betting market will remain in hypergrowth mode.

It should be no surprise, then, that H2 Gambling Capital sees the global sports betting market essentially *doubling* over the next five years. Over that same stretch, the U.S. sports betting market is expected to *triple in size*.

All of this hypergrowth in the sports betting industry will create some explosive investment opportunities...

In today's edition of *The Daily 10X*, we will tell you about one such explosive investment opportunity. It involves a small, freshly public software company that is attempting to turn into the data backbone of this booming sports betting market - and if successful, its stock price could climb much more than 10X.

The Sports Data Company at the Epicenter of Sports Betting Everywhere

When it comes to sports betting, *data is everything*.

Data is what enables players to make informed bets. Data is what allows bookies to balance the book. Data is what creates the bets themselves.

Data is everything to sports betting.

And that's why an emerging sports data company by the name of Genius Sports - who is set to go public via a merger with blank-check company dMY Technology Group, Inc. II (DMYD) - is such an attractive play on the sports betting megatrend.

Genius Sports' goal is very simple...

Become the mission-critical data and technology backbone of the global sports betting market.

The way the company is executing against this goal is also very simple - and quite genius, too (no pun intended).

In essence, Genius Sports operates a two-sided marketplace.

On one side, the company sells software and digitization services to sports leagues (like the NBA) in exchange for exclusive and fluid access to real-time sports event data from those leagues.

On the other side, the company packages that data into a proprietary, automated bookmaking software, and sells this data software suite to sportsbook operators (like DraftKings).

The result is a two-sided marketplace wherein *everyone wins*.

Leagues win because they get to monetize their data and modernize their operations. Sportsbook operators win because they get to automate their bookmaking services and receive a steady stream of official, high-quality sports data.

And, of course, Genius Sports wins, through monetizing that data in a win-win model.

In this sense, the Genius Sports business model is built to accomplish the company's goal of turning into the mission-critical data and technology backbone of the global sports betting market.

But... is Genius Sports executing on this promising vision?

So far, yes – and with flying colors, too.

Genius Sports has partnered with over 400 sports leagues including the NBA, NCAA, FIBA, FIFA, and the Premier League. The company analyzes and collects data from over 240,000 sports events per year, and delivers that data to over 250 sportsbook operators.

To put those numbers in context, Genius Sports is basically *one of only two sports data companies operating at this scale* (the other is Sportsradar).

This early success is a big deal... because Genius Sports is a data marketplace... meaning the company benefits from marketplace effects.

Genius Sports already has the most live sports data of anyone out there. So, for new sportsbooks looking for better data sources, they are going to choose Genius Sports for its larger dataset. The more sportsbooks Genius Sports attracts, the more money it brings to build better software services, which in turn will attract more leagues as tech/data partners.

In other words, more *leagues*, leads to more *data*, which leads to more *sportsbooks*, which leads to more *money*, which leads to better *services*, and circles back to more *leagues*.

Lather. Rinse. Repeat.

It's a virtuous growth cycle that should help Genius Sports sustain its sports data market leadership as the sports betting industry explodes over the next few years.

How valuable is this leadership position?

Very valuable.

In its investor presentation, Genius Sports laid out an illustrative path to 40% sports betting handle market share, \$1.2 billion in revenue, and \$500 million in EBITDA.

Those are very reasonable targets. It's also very reasonable to assume that a hypergrowth, high-margin software platform company like Genius Sports fetches a 30X EBITDA multiple.

A 30X multiple on \$500 million in forecasted EBITDA implies a long-term valuation target for Genius Sports of \$15 billion.

That's more than 10X the company's merger enterprise value of \$1.4 billion.

So... if you're looking for a brand-new way to play the emerging sports betting megatrend... you should consider taking a position in Genius Sports stock today.

Key Company Details

Company Name	dMY Technology Group, Inc. II
Ticker Symbol	DMYD
Share Price	\$15.30
Current Market Value	\$528 Million
Annual Revenue	N/A
Catalyst	Sports Betting Megatrend

Weekly Update: Happy Holidays & Goodbye 2020!

By Luke Lango December 26, 2020

I have some bad news and some good news.

First, the bad news: Christmas has come and gone. As someone who really enjoys advent calendars, I'm especially sad about this one.

Now, the good news: 2020 is almost over.

Finally, right?

What a year it's been.

I could list all the things that went wrong in 2020, but I'm supposed to keep these issues under 1,500 words, and that's simply not enough real estate to capture all the oddities of this year.

So... let's just say it was an *unusual* and *disruptive* year.

On the heels of such an awfully unusual and disruptive year, I wouldn't fault you for being pessimistic about the next 12 months.

But I, for one, am abundantly optimistic about what 2021 has to bring.

You see... as a country, our brightest eras have consistently been preceded by our darkest eras.

The Roaring Twenties were preceded by World War I and the Spanish Flu. The Golden Age of Capitalism in the 1950s was preceded by World War II. The 1980s global economic expansion was preceded by a decade of crippling stagflation.

Oftentimes, we find that crisis first scares people, then frustrates them, and then brings them together. Crisis is the impetus for humans to get uncomfortable, which

sparks them to change, which sparks them to progress, and which ultimately helps them create a better tomorrow.

After all, as the old saying goes... *it's often darkest just before dawn.*

And... as another old saying goes... *history often repeats itself.*

History will repeat itself over the next decade.

2020 was arguably one of the darkest eras in U.S. history. No doubt about it. But in its wake, society has an opportunity to create a better tomorrow... and that's exactly what we will do, because it is what we have done, time and time again, since the dawn of man.

This time will be *slightly different*, though...

Because history will repeat itself at the exact same time that multiple breakthrough technologies like AI, self-driving, clean energy, and gene editing are rapidly turning into disruptive realities.

The convergence of these two things will create a decade of hypergrowth like we've never seen before.

Indeed, the 2020s will be one of the best decades, *ever*, for society, for culture, for the economy, and for the stock market.

Needless to say, I'm bullish.

I'm bullish on society coming closer together. I'm bullish on the economy becoming more efficient. I'm bullish on the stock market pushing higher.

And, above all else, I'm bullish on hypergrowth, small-cap stocks disrupting the status quo.

These stocks have been on fire, sure... but they are only going to heat up over the next few years as they help define a smarter, cleaner, healthier, more efficient, and overall better tomorrow...

With that in mind, let's dive into this edition of *The Daily 10X Weekly Update*, and break down some *DTX* stocks that have staged big moves over the past few weeks.

AgEagle Aerial Systems (UAVS) Breaks Out on No News

AgEagle Aerial Systems – the small drone company we highlighted on [August 26](#) for its huge upside on a potential Amazon drone partnership – took flight this week, rising more than 100% in less than four trading days.

This breakout brings AgEagle stock's gain to *as much as 259%* since we first highlighted the drone company.

Why the huge breakout?

There is no specific catalyst. Indeed, there have been zero official announcements from the company in over a month.

But... as we said in our August issue... the drone space has a ton of potential, especially in logistics, and AgEagle's drone is optimally positioned to capture big market share in the drone logistics space.

Plus, the company has a mysterious big e-commerce partner that continues to scale orders with AgEagle.

Perhaps another big contract is in the works? Or perhaps the mystery customer is planning to acquire AgEagle?

Who knows...

But most of the time, when stocks break out like this for multiple consecutive days on heavy volume, it's because someone knows something.

Depending on what that "something" is, it could be game-changing news for AgEagle.

Aeva (IPV) Soars on Apple Car Reports

Earlier this month – in our [December 7 issue](#) – we told you about Aeva, a brand-new self-driving stock pioneering a new type of LiDAR sensor built on "4D" Frequency Modulated Continuous Wave (or FMCW) techniques.

Since then, Aeva stock has been red-hot, *soaring as much as 47%*.

A big chunk of those gains came this past week, on reports that Apple is pushing forward with its self-driving initiative, and planning to launch a so-called "Apple Car" in 2024.

That's big news because it corroborates the size and potential of the self-driving space.

Apple is not a leader in self-driving. They are a laggard. A big laggard. But the fact that they aren't throwing in the towel and instead deciding to throw the kitchen sink at the self-driving problem, speaks volumes about the confidence and excitement the world's largest tech company has in the AV space.

The confidence is not misplaced.

Self-driving is going to change everything. And LiDAR sensors will be the foundational technology upon which this change comes to life.

Luminar (LAZR) is the leader in time-of-flight (ToF) LiDAR sensors. Aeva is the leader in FMCW LiDAR sensors. There is a time and a place for both types.

Owning both names makes sense to play the self-driving revolution.

fuboTV (FUBO) Goes Parabolic

Also this month – in our [December 2 issue](#) – we talked about fuboTV, a hypergrowth live TV streaming service operator that is at the epicenter of the second half of the connected TV revolution.

Since then, fuboTV stock has been a big winner, *soaring as much as 119%* in less than a month.

The big rally can be chalked up to Wall Street finally waking up and realizing the streaming company's huge potential (two sell-side firms have issued exceptionally bullish notes on fuboTV stock since December 2), as well as chatter that fuboTV may score some exclusive content deals with professional sports leagues.

Those are positive developments.

They broadly underscore that fuboTV is part of a new class of live TV streaming services that will *eventually* and *inevitably* replace cable TV globally.

That's a big deal. There are hundreds of millions of cable TV subscribers worldwide. All fuboTV needs to do is convince 5% to 10% of them to pick its service over YouTube TV or Sling to be an enormous company one day – and fuboTV is already making a super convincing argument, by selling more channels than anyone else (100+ channels) for the same price as everyone else (\$65 per month).

Exclusive sports content deals would only bolster fuboTV's value prop.

Net net, we still see fuboTV as a second Netflix in the making, and believe the stock continues to have compelling long-term upside potential.

Mimecast (MIME) Pops on SolarWinds Hack

In our [December 4 issue](#), we highlighted Mimecast, a cybersecurity company with huge upside potential because of its reimagination of email security systems for the modern, omni-channel era.

Since then, Mimecast stock has *risen as much as 30%*.

The big catalyst?

The Russian hack over at SolarWinds.

It's been in the headlines for the past few weeks, but in a nutshell, a Texas-company by the name of SolarWinds accidentally shipped out software patches compromised by Russian hackers to a bunch of U.S. companies.

The fallout has been enormous. The implications are equally enormous.

Today's cybersecurity solutions are vulnerable. They're too slow, too narrow, and too simple to address increasingly fast, broad, and complex cybersecurity threats.

Mimecast has the fix: A new platform called Email Security 3.0, which is an omni-channel, integrated, holistic email security ecosystem that protects enterprises from every single type of digital threat, regardless of where that threat originates, and does so effectively and quickly.

Thanks to the SolarWinds hack, companies are going to pour a bunch of money into updating their cybersecurity systems. A lot of that money is going to make its way to Mimecast.

Big picture: This is a long-term winner, in the beginning of a very big upswing.

In case you missed any of this week's issues, we talked about...

- [IZEA Worldwide](#) (IZEA), an influencer marketing software company whose revolutionary new Shake marketplace could unlock 60X gains in the stock.
- [Clean Energy Fuels](#) (CLNE), a natural gas provider whose Redeem fuel is turning into the picks-and-shovels of the Renewable Natural Gas paradigm shift.
- [Innoviz](#) (CGRO), a self-driving tech company whose unique solid-state LiDAR could unlock the door to making AVs cheap and small.
- [Genius Sports](#) (DMYD), an emerging sports data company turning into the mission-critical data and technology backbone of sports betting.

This Freshly Public, Hypergrowth Software Stock is Ready to Drive Enterprises into the AI Future

By Luke Lango December 28, 2020

The year is 1950. The month is October. Alan Turing – the generational genius who cracked the Enigma code and helped end World War II – has just introduced a novel concept.

It's called the "Turing Test," and it is aimed at answering the fundamental question: *Can machines think?*

The world laughs. Machines? Think for themselves? Not possible.

But the Turing Test sets in motion decades of research into the emerging field of Artificial Intelligence – research conducted by some of the smartest people in the world, in the most prestigious labs in the world, and focused solely on making a new class of computers and machines that can, indeed, think for themselves.

Fast forward 70 years.

The research that Turing set into motion in the 1950s now impacts all facets of our daily lives. AI is integrated into our navigation systems, our computers, our voice assistants, our phones, our video games...

AI is everywhere.

This AI is only getting smarter, and better, and faster, and more impactful – to a point where emerging AI techniques like machine learning (ML) and natural language processing (NLP) are well-positioned to uproot the way we do everything over the next decade.

Because... as my friends in the AI and robotics fields like to remind me... most things a human does, a machine will be able to do better, faster, and cheaper. If not now, then soon.

Eventually – and *inevitably* – the world will be run by hyperefficient and hyperintelligent AI.

I'm not alone in thinking this. Gartner predicts that 69% of routine office work will be fully automated by 2024, while the World Economic Forum has said that robots will handle 52% of current work tasks by 2025.

Make no mistake. The AI Revolution is coming – and it's going to be the biggest revolution you've ever seen in your lifetime.

In today's edition of *The Daily 10X*, we will tell you how to turn this unprecedented AI revolution into unprecedentedly big profits. It's by buying a freshly public AI software company that is ready to drive enterprises of all shapes and sizes into this AI future.

Democratizing & Accelerating the Power of AI to Unlock Huge Gains

This month, two big and widely watched companies made their splashy debuts on Wall Street: Airbnb (ABNB) and DoorDash (DASH).

Both IPOs were hugely successful, and every media outlet in the world wrote about them because... well... everyone in the world knows about Airbnb and DoorDash.

But – and this is no knock against Airbnb or DoorDash – the most exciting company that came public this month is neither of those household names.

Instead, it's a much smaller, much more obscure company by the name of C3.ai (AI).

C3.ai is an enterprise AI software company focused on developing scalable AI applications for businesses. In essence, the company builds and deploys AI-powered predictive models to help companies execute smarter decision making, optimize operating efficiency, and ultimately drive better business outcomes.

For example, industrial giant 3M uses C3.ai to improve its manufacturing capabilities and optimize inventory, while energy giant Shell taps C3.ai for its predictive maintenance powers to optimize the efficiency of the company's oil rigs. The U.S. Air Force, Baker Hughes, and Raytheon all also use C3.ai to improve business efficiency and outcomes.

In a nutshell, then, C3.ai is helping companies harness the power of AI to improve everything about themselves.

What's the secret sauce?

C3.ai's novel model-driven architecture, which represents a promising paradigm shift in the AI application development process.

You see... AI applications are not easy to build. They're new. They're complex. They're tough to scale. They take forever to build, and tons of data to power.

That's why – although a plethora research shows that AI boosts revenues, drives cost savings, and accelerates business processes – *less than 10% of companies today* deploy any type of AI in their day-to-day business.

It's simply too complex to build and scale for companies not named Facebook, Amazon, Netflix, and Google.

That's where C3.ai steps in...

The company has already pre-built multiple highly scalable AI models in its ecosystem. The model-driven architecture allows customers to build their own AI models to fit their own needs, by simply editing these pre-built models and stacking them on top of one another.

In other words, if building an AI application is a puzzle, C3.ai gives companies the pieces to easily make that puzzle...

In so doing, C3.ai is pioneering a new era of democratized AI applications that any company, from any industry, and of any size can use to enhance their business.

That's a huge deal... because, as stated before, *AI is the future that has not yet arrived*, with only 10% of companies having adopted AI software in any capacity.

What's holding them back? The difficulty of building AI software.

C3.ai removes that barrier, thereby setting the stage for the Enterprise AI Revolution to kick into hypergrowth gear over the next few years.

That's why C3.ai – which has grown revenues by nearly 70% per year over the three years – will sustain enormous, 50%-plus revenue growth for a lot longer.

Alongside this enormous growth, C3.ai stock will soar.

After all, this is a company whose AI software platform could one day be as ubiquitous across the enterprise as Salesforce's CRM platform, or Zoom's video conferencing platform, or Adobe's creativity platform.

Those are all multi-hundred-billion-dollar companies.

C3.ai is worth just \$15 billion today.

The long-term upside potential here is unmistakably giant – so giant, in fact, that AI bulls should consider taking a position in C3.ai stock today.

Key Company Details

Company Name	C3.ai, Inc.
Ticker Symbol	AI
Share Price	\$161.00
Current Market Value	\$15.4 Billion
Annual Revenue	\$165 Million

Wall Street is Sleeping on This Tiny AV Company That Could Be the Self-Driving Revolution's Biggest Winner

By Luke Lango December 29, 2020

Back in 2014, Apple boss Tim Cook approved an ambitious project to make an Apple-branded, electric self-driving car that would take on Tesla in the automotive world.

The project, codenamed “*Titan*,” has been moving in fits and starts ever since. Ultimately, nothing tangible has been produced for either consumers or investors, and the so-called Apple Car has had zero to minimal impact on Apple’s stock price.

Until 2020.

Apple stock has been rising in recent days on reports that Apple is moving forward with project Titan, and targeting to produce a self-driving electric Apple Car by 2024.

This is a sign of the times.

Apple is not at the forefront of the self-driving revolution. If anything, the company is miles behind the likes of Alphabet/Waymo, Uber/Aurora, Amazon/Zoox, and many others.

Yet, despite being far behind, Apple is clearly committed to throwing the kitchen sink – and by that, I mean the company’s \$200 billion cash hoard – at solving the self-driving problem.

Why?

Because it’s worth it.

Self-driving technology is going to change the world. It’s going to fundamentally disrupt everything we know about the \$1.4 trillion automobile market. It’s going to destroy legacy auto titans, and create new ones in their place.

And it’s all going to happen soon...

Meaning the time to invest in the unprecedented self-driving revolution is now.

In today’s edition of *The Daily 10X*, we will tell you about a tiny AV tech company that Wall Street is completely sleeping on, and which has the potential to be one of the biggest winners in the self-driving revolution when all is said and done.

Leveraging Thermal Cameras to Enable Cars to See on Rainy Days

As longtime readers know, the key to unlocking self-driving capability is giving cars “vision,” or the ability to sense and react to their surroundings.

Of course, cars cannot do that themselves... so, we build sensors and put them on cars to give them that “vision.”

Visual cameras are one such sensor. LiDAR is another such sensor. So is RADAR.

All of these sensors are great. None of them are perfect. They all have shortcomings. And, because consumers won’t broadly adopt AVs until they are 100% safe, *shortcomings simply won’t cut it in self-driving*.

Thus, the self-driving car of the future will include all three of these sensors in its “autonomy stack.”

Another type of sensor that will likely be included in the autonomy stack are thermal cameras – and that’s great news for a tiny, \$240 million AV technology company by the name of Foresight Autonomous (FRSX).

One common shortcoming among visual cameras, LiDAR, and RADAR is that none perform all that great in adverse weather conditions. Rain, fog, sun glare, and snow can all cause these sensors to have “blurry vision” and make mistakes.

To address this common shortcoming, the industry has developed thermal cameras.

Thermal cameras cut through the weather noise and provide uninterrupted thermal data. That’s important, because the two most important objects on the road that you don’t want to hit – cars and humans – emit a ton of heat, regardless if it’s a sunny, rainy, or snowy day.

Thus, thermal cameras provide an important and often mission-critical information source for self-driving cars to sense other cars and humans on foggy mornings, snowy days, and rainy nights.

That’s why many self-driving experts see thermal cameras reaching *ubiquitous adoption* in vehicle autonomy stacks.

Foresight Autonomous plays a critical role in developing these thermal cameras.

Specifically, Foresight Autonomous has developed a proprietary AV tech platform – dubbed QuadSight – which blends visible-light camera data with thermal camera data to create a complete, uninterrupted picture of a car’s surroundings.

The result? An exceptionally accurate obstacle detection system... with near zero false alerts... that detects any object, regardless of size, shape or material... and operates in even the harshest weather and lighting conditions.

It’s a great solution.

To be sure, many other companies are making thermal cameras and experimenting with similar tech. But Foresight is the only one that has a direct partnership with Flir – the world’s largest thermal imaging company – in which the industry titan will actually help Foresight make these QuadSight systems.

This partnership is a huge vote of confidence from the industry’s most advanced player. It broadly underscores the idea that when it comes to thermal cameras and object detection technology, *Foresight Autonomous is in a class of its own.*

Let's connect the dots.

Self-driving cars are coming soon. Thermal cameras have potential to reach ubiquity among self-driving cars. Foresight Autonomous is the highest quality player in the thermal camera/detection space.

The writing is on the wall. Foresight Autonomous' QuadSight platform could potentially transform into a huge, mission-critical building block of the multi-trillion-dollar self-driving revolution.

And yet... the company has a market cap of just \$240 million today.

That's because the company hasn't sold many QuadSight systems yet. But that could change. In a big way. Very soon. And when it does, this tiny company could turn into a multi-billion-dollar AV tech giant.

Key Company Details

Company Name	Foresight Autonomous Holdings Ltd.
Ticker Symbol	FRSX
Share Price	\$5.02
Current Market Value	\$240 Million
Annual Revenue	N/A
Catalyst	Self-Driving Revolution

This Hypergrowth E-Scooter Stock is Ready to Turn into the "Apple of Scooters" Amid the Micromobility Boom of the 2020s

By Luke Lango December 30, 2020

Is owning a car *really* worth it?

Sure, cars are great. They get you from Point A to Point B, and allow you the flexibility to travel when you want, where you want.

From that perspective, owning a car is absolutely worth it.

But... on the flipside... you're paying about \$9,000 per year (the average annual cost of car ownership) for mostly single-passenger trips that are less than three miles (about 50% of car trips fall under that category).

From that perspective, owning a car seems not worth it.

This is not a new problem. The discrepancy between the cost of car ownership and usage of said car has been around for ages.

The Generation 1.0 solution to filling this gap was public transit. But public transit is notoriously bad, with the average wait time for public transportation clocking in at a whopping *40 minutes per day*.

The Generation 2.0 solution was ride-sharing. For a while, ride-sharing worked great. It provided a cost-effective way for consumers to get around without owning a car.

Indeed, during the "boom" of ride-sharing from 2010 to 2019, car ownership rates in America declined for *the first time since 1950* as a third of Americans flocked to using Uber and Lyft regularly.

But rising fare prices and Covid-19 have highlighted shortcomings of the ride-sharing model (75% of Americans today say they are fearful to get in an Uber car with another person), which has in turn sparked the emergence of a Generation 3.0 solution called "micromobility."

The micromobility market broadly includes smaller, cheaper, often single-person transportation vehicles like bikes, scooters, mopeds, and the like. These mobility solutions optimize the advantages of ride-sharing (giving individuals a cost-effective way to travel) while addressing ride-sharing's shortcomings (consumers aren't subject to rising fare prices, and don't have to share their "air space" with anyone else).

Accordingly, micromobility is emerging as the next evolution of public transit and ride-sharing – and *represents the future of global urban transport*.

In today's edition of *The Daily 10X*, we will show you how to play this micromobility boom of the 2020s – by buying a hypergrowth e-scooter stock that projects as the “Apple of Scooters.”

Dominating China Today... & the World Tomorrow

When it comes to the micromobility market, one of the largest segments is “e-scooters” – or small, electric two-wheel vehicles, like electric bikes, electric scooters, and electric mopeds.

And... when it comes to the e-scooter market... one small, hypergrowth Chinese company by the name of Niu Technologies (NIU) has no rival.

Dubbed the “*Apple of Scooters*” by Electrek, the \$2 billion e-scooter maker was founded in 2015 on the premise of delivering sleek, high-performance, and high-tech e-scooters to consumers in China – a market which, due to relatively low income per capita and relatively high urban density, is ripe for micromobility disruption.

The game-plan? Make a series of \$500 to \$5,000 e-scooters. Sell them to consumers as a cost-effective and space-efficient way to travel. Sell them to fleet owners as a cheap, zero-emission way to enhance logistics. Sell them to municipalities as a cheap, clean, and fun way to supplement public transport and boost tourism.

Five years later, Niu has executed strongly on that game-plan.

So far in 2020, the company has sold 435,000 units, up an astounding *50% year-over-year* and good enough to give the company roughly 2% share in China's e-scooter market.

That market share has been steadily growing ever since 2015, and is on pace to hit 5% or more within the next few years.

Needless to say, then, Niu is dominating China's booming e-scooter market. The Niu stock price reflects this reality. Shares are *up about 220%* in 2020 alone.

But... what the Niu stock price does not reflect yet is the company's ability to replicate its runaway China success, on a global scale.

Niu has rapidly expanded production capacity in recent years. The company's annual production capacity in 2018 was 380,000 units. In 2019, it was 1.08 million units. By 2021, it's expected to jump to 2 million units.

Why is Niu so rapidly expanding production capacity?

Because the company is simultaneously expanding its geographic reach, and hoping to dominate the global e-scooter market like it has dominated the China e-scooter market.

Niu started selling e-scooters in Europe in 2016. So far, the company has seen good success in that market, growing from zero sales in 2015, to ~20,000 units through the first three quarters of 2020.

But, Niu is significantly upping its game in Europe with multiple new retail store openings, and is also expecting to make an aggressive push in North America in 2021.

The coupling of these big expansion plans plus the increased production capacity gives Niu visibility to sustaining a hypergrowth trajectory amid the micromobility boom for the next several years.

Here are the numbers.

The global e-scooter market measures 50 million units today. It's been growing at a steady 5% compounded annual growth rate since 2010. Assuming that growth rate persists throughout the 2020s - as it should - then the market will measure ~80 million units by 2030.

Niu could manage to grab around 5% of the market, implying 4 million deliveries in 2030. At an average price of \$1,500, that equates to \$6 billion in revenue. Assuming 20% gross margins, a 10% opex rate, and a 20% tax rate, that flows through into \$480 million in net profits.

A 20X multiple on that implies a potential future market cap of nearly \$10 billion.

And that's with just 5% market share. At 10% market share, Niu's potential future market cap jumps to almost \$20 BILLION - which is *10X the current valuation*.

Either way, Niu stock offers investors compelling long-term upside potential... compelling enough that if you're bullish on the micromobility boom of the 2020s, you may want to consider buying Niu stock today.

Key Company Details

Company Name	Niu Technologies
Ticker Symbol	NIU
Share Price	\$28.31

Current Market Value	\$2 Billion
Annual Revenue	N/A
Catalyst	2020s Micromobility Boom

A Hypergrowth FinTech Company at the Overlap of iGaming and Digital Payments

By Luke Lango December 31, 2020

Editor's Note: U.S. markets as well as our Customer Service department are closed all day tomorrow, Jan. 1. We'll be back soon with your next issue on Monday morning.

What's better than one megatrend?

Two megatrends.

Whenever you find a hypergrowth stock at the convergence of two world-changing megatrends, you often find yourself a big-time winner.

Just look at Shopify.

The e-commerce solutions provider sits at the convergence of the digital shopping and decentralization megatrends. Over the past five years, Shopify stock has *surged nearly 4,500%*.

Or consider The Trade Desk – the programmatic ad platform that finds itself in the overlap of the digital advertising and big data megatrends. That stock is *up almost 5,000%* from its 2016 IPO price.

Okta is another example. The identity security pioneer sits in between the cybersecurity and work-from-home megatrends. The result? A *1,500% surge* in the stock from its 2017 IPO price.

The list goes on and on. The lesson remains the same.

Hypergrowth companies at the convergence of two megatrends can produce enormous returns in the stock market.

In today's edition of *The Daily 10X*, we will tell you about one such company. It's an integrated payments platform that – by situating itself at the convergence of the iGaming and digital payments megatrends – is optimally positioned to follow in the footsteps of Shopify, The Trade Desk, and Okta, and score you huge gains over the next several years.

Turning into the Ubiquitous Digital Wallet of Sports Betting

One big megatrend we are super bullish on is the iGaming megatrend, or the shift towards legalized online gambling and sports betting, *everywhere*.

Long story short, shifting legislation which started with the overturning of PAPS in 2018 is paving the path for casinos to be virtualized over the next decade, much in the same way malls and movie theaters were virtualized over the past decade.

The U.S. iGaming market is expected to grow by more than *50% per year* over the next five years.

Another explosive megatrend we are really excited about is the Digital Payments megatrend, or the shift away from cash and towards alternative payment methods.

The story here is all about increasingly tech-centric consumers shunning cash and using e-payment platforms like PayPal and Apple Pay to pay for goods, both online and in-store.

The global digital payments market is expected to grow by nearly *15% per year* over the next four years.

Needless to say, a high-quality growth company that finds itself at the intersection of these two emerging megatrends will be a big winner over the next few years.

Paysafe is that company.

Paysafe – who is set to go public via a merger with special purpose acquisition company Foley Trasimene Acquisition Corp. II (BFT) – is an integrated payments platform which provides many of the same digital payment services that PayPal and Square provide, such as:

- Enabling users to upload, store, withdraw, and pay funds from a digital wallet.

- Empowering consumers to buy things online and in apps.
- Enabling merchants to accept non-cash payments across multiple channels.

It is, for all intents and purposes, a mini-PayPal.

But there's one *big* thing that separates Paysafe: Its marriage with iGaming.

For years and years, incumbent payment service providers like PayPal and Square shunned the iGaming market, on the idea that it was too niche and too risky.

Paysafe didn't.

In fact, Paysafe did the exact opposite, and turned PayPal and Square saying "pass" to iGaming, into an opportunity to turn into the payment technology backbone of the industry.

And so, here we are in 2020, and Paysafe has indeed turned into the ubiquitous digital wallet for all-things-online-gambling-and-sports-betting.

If you're in the iGaming world, chances are you're a Paysafe user.

The company counts DraftKings, Bet365, William Hill, Betfair, and many more as customers. In the United States, Paysafe has partnerships with over 60 iGaming operators that together represent *75% of the market*.

This early leadership is important, because the payment execution risks associated with iGaming are exceptionally unique to iGaming – meaning Square and PayPal cannot leverage their expertise in facilitating t-shirt sales, to create a winning formula for facilitating sports betting transactions.

No. There's only one expert at doing that, and *it's Paysafe*.

In other words, while PayPal and Square are busy fighting over the global retail sales pie in the digital payment megatrend, Paysafe has crafted a defensible niche for itself in the iGaming sub-vertical of that megatrend.

The implications for Paysafe stock are enormous.

Paysafe controls about 0.4% of the global e-retail sales pie today, with its biggest market (U.S. iGaming) measuring just \$3.4 billion in 2019. That number is expected to rise nearly *15X* to \$47 billion in 2025, and could easily touch \$100 billion by 2030.

Given that hypergrowth trajectory, Paysafe could easily scale to 1% global e-retail sales share. Assuming so, my numbers say there is visibility here for the company to net about \$1.5 billion in profits sometime this decade.

PayPal stock normally trades around 35X forward earnings - which, on \$1.5 billion in net profits, implies a potential future valuation for Paysafe of over \$50 billion.

That's up about 5X from the current \$10 billion market cap.

So... could this emerging growth stock follow in the footsteps of Shopify, The Trade Desk, and Okta, and leverage two megatrends to score enormous returns?

Absolutely - meaning that Paysafe stock deserves to be on your buy radar today.

Key Company Details

Company Name	Foley Trasimene Acquisition Corp. II
Ticker Symbol	BFT
Share Price	\$15.23
Current Market Value	\$3 Billion
Annual Revenue	N/A
Catalyst	iGaming & Digital Payments Megatrends